

MICHIGAN DEPARTMENT OF LABOR
EMPLOYMENT RELATIONS COMMISSION
LABOR RELATIONS DIVISION

IN THE MATTER OF THE ACT 312 ARBITRATION
BETWEEN:

CITY OF FLINT,

MERC Act 312 No. L00 C-8016

Public Employer,

-and-

FLINT FIRE FIGHTERS UNION,

Labor Organization.

BEFORE:

Arbitrator Karen Bush Schneider, Esq.
Panel Chairperson

PANEL DELEGATES:

CITY OF FLINT

Dennis B. DuBay, Esq.

FLINT FIRE FIGHTERS UNION

George H. Kruszewski, Esq.

APPEARANCES:

FOR PETITIONER, FLINT FIRE FIGHTERS
UNION:

George H. Kruszewski, Esq.
Sachs Waldman, P.C.
1000 Farmer Street
Detroit, MI 48226

FOR THE PUBLIC EMPLOYER,
CITY OF FLINT:

Dennis D. DuBay, Esq.
Keller, Thoma, Schwarze, Schwarze,
DuBay & Katz, P.C.
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Detroit, MI 48226

INTRODUCTION

Petitioner, Flint Fire Fighters Union, (hereinafter referred to as the "Union") filed a Petition for Act 312 Arbitration with the Employment Relations Commission, Michigan Department of Consumer and Industry Services, on or about July 11, 2001. The Petition covered a bargaining unit described as all full-time uniformed employees of the City of Flint Fire Department (hereinafter referred to as the "City"), excluding the Fire Chief. An Arbitration Panel consisting of Karen Bush Schneider, Esq., Panel Chairperson, George H. Kruszewski, Esq., Delegate of the Union, and Dennis B. DuBay, Esq., Delegate for the City, was constituted to conduct the arbitration hearing in this matter. Hearings were held on November 19, 20, and 21, 2002, in the offices of the City Hall, City of Flint, Michigan.

Following the conclusion of the evidentiary hearing, Last Best Offers were submitted by the parties on or about February 3, 2003. Briefs were exchanged on or about March 29, 2003. The Arbitration Panel convened on April 30, 2003, and again, by telephone, on May 14, 2003.

After deliberation on the disputed issues, the Panel issues this Award.

THE FINAL OFFERS OF THE PARTIES

The Final Offer of the Petitioner, Flint Fire Fighters Union:

1. WAGES (ECONOMIC)

The Union's last best offer on this issue is contained in its last best offer on City Issue No. 1, Wages.

2. COST OF LIVING - (ECONOMIC)

The Union's last best offer on this issue is contained in its last best offer on City Issue No. 2, Cost of Living.

3. (RETIREMENT - PURCHASE OF TIME) (ECONOMIC)

The Union proposes that the attached Letter of Agreement be adopted, with the window period to begin the first of the month following the issuance of the Act 312 award and to continue for three months thereafter and with the retirement date for those who elect to purchase time to be the ending date of the window period.

CITY ISSUES

1. WAGES (ECONOMIC)

The Union proposes to modify Article 12, Section 1, of the 1997- 2000 contract to provide as follows:

"The salaries and wages to be paid under this Agreement shall reflect the following annual adjustments:

Effective July 1, <u>2000</u>	0.0% increase on all steps for all ranks
Effective July 1, <u>2001</u>	0.0% increase on all steps for all ranks
Effective July 1, <u>2002</u>	0.0% increase on all steps for all ranks
Effective July 1, <u>2003</u>	0.0% increase on all steps for all ranks

The annual rates set forth in said schedule shall be converted to hourly rates in the following manner: Levels F - 1 through F- 5, inclusive, divide the annual rate by 2,620.8 hours; Levels F- 4 (40 hour Captains) FF-19 through FF-35, inclusive divide the annual rate by 2,080 hours. Employees shall be paid on a bi-weekly basis not to exceed the rates set forth in said schedules."

2. COST OF LIVING (ECONOMIC)

The Union proposes that Article 13, Section 1 be revised by substituting the dates "June 30, 2001, June 30, 2002, June 30, 2003, and June 30, 2004" for the dates "June 30, 1998, June 30, 1999, and June 30, 2000."

The Union proposes that Article 13, Section 2, COLA SUSPENSION, be revised to read as follows.

Article 13, Section 1, shall not be implemented during the third and fourth years of this agreement, July 1, 2002, through June 30, 2004, but, unless otherwise negotiated or arbitrated by the

parties, shall again become effective July 1, 2004. All quarterly payments will be made for July 1, 2000 through June 30, 2002. The sum of each year's four quarterly payments will be folded into the base wage June 30 of each of the first two years of this contract.

3. WORKWEEK OF 24 HOUR PERSONNEL (ECONOMIC)

The Union proposes to maintain the status quo (i.e., 50.4 hour work week) as reflected in Article 10, Work Week, Section 3 of the 1997 - 2000 contract.

4. HOSPITALIZATION INSURANCE – EMPLOYEE CONTRIBUTION (ECONOMIC)

The Union proposes to modify Article 46, Hospitalization Health Insurance, subsection (a) and (b)(1) as follows.

ARTICLE 46 **HOSPITALIZATION INSURANCE**

The City shall provide to each member, full coverage at semi-private rates, Michigan Blue Cross/Shield Medical and Hospitalization Insurance, D45 NM, MVF-2, \$2.00 Prescription Drug Coverage, CC-OPC, IMB, DCCR, ML, Master Medical, Option IV, Income 3. Effective June 8, 1987, the above coverage is modified as follows: Blue Cross/Blue Shield Three Dollar (\$3.00) co-pay with generic drug rider ("prescription drug maximum cost program"); pre-determination of hospital benefits and mandatory second opinion surgery (80-20 co-pay, \$200 deductible (\$100 for hospital services and \$100 for physician services), \$750 individual, \$1,500 family, maximum, if not in compliance, (PRE-200-20, PCES and PCES-II)). For all employees in the bargaining unit on the date of ratification (i.e., January 23, 1991) and all employees going into the bargaining unit thereafter, or retiring from the unit thereafter, the above coverage is modified as follows: change major medical to \$100 per person, \$200 per family deductible with an 80-20 co-pay, and change prescription drug to \$5. Effective May 1, 1995, for all employees in the bargaining unit on May 1, 1995, and all employees going into the bargaining unit after May 1, 1995, or retiring from the unit after May 1, 1995, the above coverage is modified as follows: Master Medical deductible to \$150/\$300 (individual, family) with an 80/20% co-pay, \$1,000 stop loss; also effective May 1, 1995, change MVF-II to MVF-I (semi-private not ward). Effective thirty days after the ratification of this agreement, the above coverage is modified to change the drug co-pay from \$5.00 to \$10.00.

(a) Coverage shall commence per terms of the "New Hire Agreement" entered into between the Employer and the insurance carrier. Effective May 1, 1995, employees electing traditional Blue Cross/Blue Shield coverage as described above shall be required to pay Fifty (\$50.00) Dollars per month (\$75.00 effective the issuance date of the 2000 - 2004 Act 312 arbitration award), toward the cost of said coverage. A payroll deduction shall be authorized by employees electing traditional coverage. Effective the

date of ratification by both principal parties, the employee contribution for those electing traditional Blue Cross/Blue Shield coverage shall be determined by deducting \$50.00 (\$75.00 effective the issuance date of the 2000 - 2004 Act 312 arbitration award) from the traditional Blue Cross/Blue Shield rate for active employees and comparing that sum to the HMO rate. There shall be an employee contribution if the HMO rate exceeds the Blue Cross/Blue Shield rate less \$50.00 (\$75.00 effective the issuance date of the 2000 - 2004 Act 312 arbitration award). Effective May 1, 1995, the existing Blue Cross/Blue Shield PPO shall be changed to the Blue Cross/Blue Shield CMM PPO with \$100/\$200 deductibles (individual, family) with an 80%/20% co-pay, \$1,000 stop loss, and a \$5.00 co-pay prescription (generic drug) rider. Employees who elect this modified PPO coverage will not be required to make any payments toward the cost of said coverage.

(b) Employees and retirees eligible for hospitalization insurance as set forth in (a) above shall have the option of maintaining current coverage or electing a different health care option within ninety (90) days after ratification and thereafter during the normal open enrollment period for active employees each year. This election may be made during the months of April and May. The open enrollment period shall be at least six (6) weeks. Such coverage will be subject to the regulations of the Carrier. The City shall pay for HMO coverage on behalf of an eligible Employee, an amount not to exceed the amount being paid to provide traditional Blue Cross/Blue Shield as provided in the initial paragraph of this article; the Employee shall pay such additional cost by payroll deduction. Effective May 1, 1995, the existing HMO plans shall be modified to require a Five (\$5.00) Dollar drug co-payment and a Ten (\$10.00) Dollar office visit charge.

Such insurance shall provide coverage to the member and all his eligible dependents throughout the course of his employment with the City; such insurance shall be continued by the City following retirement for the retiree and his spouse and eligible dependents under the hospitalization plan, provided however, that:

1. Except for employees who retire between the dates of March 1 - June 30, 1996 with a minimum of twenty (20) years of service or between the dates of March 1 - June 30, 1997 with a minimum of twenty (20) years of service, any employee who retires on or after July 1, 1997, shall be obligated to pay the same monthly cost, if any, for their selection of health care coverage available to active employees as of their date of retirement; i.e., Fifty (\$50.00) per month (\$75.00 effective the issuance date of the 2000 - 2004 Act 312 arbitration award) toward the cost of traditional Blue Cross/Blue Shield retiree coverage or the appropriate contribution for any HMO where the cost of the HMO exceeds the cost of traditional Blue Cross/Blue Shield, -until such time as the retiree has a total of thirty (30) years of credited active employment service with the City or a combination of credited active employment service and retirement years which total 30 years. Prior military buy back time counts as credited active employment service for this calculation.

5. HOSPITALIZATION INSURANCE -- DRUG CO-PAY (ECONOMIC)

The Union proposes to modify Article 46, Hospitalization Health Insurance, by adding at the end of the Article the following new subsection (c): "Effective the beginning of the month 30 days following the date of the 2000-2004 Act 312 award, or as soon thereafter as is possible, the prescription drug co-pay on all health plans shall be changed to a \$10 generic, \$20 brand prescription drug."

6. HOSPITALIZATION INSURANCE -- EMPLOYEE CONTRIBUTION FOR RETIREE HOSPITALIZATION INSURANCE (ECONOMIC)

The Union proposes to maintain the status quo as reflected in Article 46 of the 1997 - 2000 contract and to not add the new subsection (e) proposed by the City.

7. RETIREE HOSPITALIZATION INSURANCE -- ELIGIBLE RECIPIENTS (ECONOMIC)

The Union proposes to maintain the status quo as reflected in Article 46 of the 1997 - 2000 contract and to not add the new subsection (f) proposed by the City.

8. RETIREE HOSPITALIZATION INSURANCE -- COVERAGE (ECONOMIC)

The Union proposes to maintain the status quo as reflected in Article 46 of the 1997 - 2000 contract and to not add the new subsection (g) proposed by the City.

9. RETIREMENT-- AGE AND SERVICE REQUIREMENTS (ECONOMIC)

The Union proposes to maintain the status quo as reflected in Article 49 and Appendix B of the 1997 - 2000 contract and to not add the new subsection (f) proposed by the City.

10. RETIREMENT-- ELIMINATION OF 13TH CHECK (ECONOMIC)

The Union proposes to maintain the status quo as reflected in Article 49 and Appendix B of the 1997 - 2000 contract and to not add the new subsection (g) proposed by the City.

11. RETIREMENT MULTIPLIER (ECONOMIC)

The Union proposes to maintain the status quo as reflected in Article 49, Section 1 and Appendix B of the 1997 - 2000 contract.

12. RETIREMENT -- EMPLOYEE CONTRIBUTION (ECONOMIC)

The Union proposes to maintain the status quo as reflected in Article 49, Section 1(b) and Appendix B of the 1997 - 2000 contract.

13. RETIREMENT -- FAC PERIOD (ECONOMIC)

The Union proposes to maintain the status quo as reflected in Article 49, Section 1 and Appendix B of the 1997 - 2000 contract and to not add the new subsection (i) proposed by the City.

14. RETIREMENT -- FAC COMPONENTS (ECONOMIC)

The Union proposes to maintain the status quo as reflected in Article 49, Section 1(d) and (e) and Appendix B of the 1997 - 2000 contract.

15. USE OF VACATION TIME (ECONOMIC)

The Union proposes to maintain the status quo as reflected in Article 24, Annual Leave, Section 2 of the 1997 - 2000 contract.

16. ANNUAL LEAVE ACCRUAL (ECONOMIC)

The Union proposes to maintain the status quo as reflected in Article 24, Annual Leave, Section 1 of the 1997 - 2000 contract.

17. NIGHT BONUS (ECONOMIC)

The Union proposes to maintain the status quo as reflected in Article 17, Night Bonus, of the 1997 - 2000 contract.

**18. PROVISIONAL APPOINTMENTS AND SUPPLEMENTAL AGREEMENT
(ECONOMIC)**

The Union proposes to maintain the status quo as reflected in Article 35, Provisional Appointments, Section 1 of the 1997 - 2000 contract and in the Supplemental Agreement with respect to Provisional Appointments.

19. DAY TRADING (ECONOMIC)

The City has withdrawn This issue.

The Final Offer of the Employer, City of Flint:

A. JOINT ISSUE

1. Duration - Article 64 - Termination

The parties have agreed to a four-year contract term: July 1, 2000 through June 30, 2004. Accordingly, duration is no longer an issue before the Panel.

B. CITY ISSUES

1. Salaries and Wages - Article 12 - Salaries and Wages. Section 1. Compensation Schedule - General and Compensation Schedule - Economic

Employer Final Offer of Settlement:

Maintain existing salary scale (attached hereto) during the four-year contract term (*i.e.*, no wage increases and no further COLA "fold-ins"). Article 12 - Salaries and Wages, Section 1. Compensation Schedule - General shall provide as follows:

Section 1. Compensation Schedule - General

The salaries and wages to be paid under this Agreement shall be in full accord with the attached Compensation Schedule.

The annual rates set forth in said schedule shall be converted to hourly rates in the following manner: Levels F-1 through F-5, inclusive, divide the annual rate by 2,620.8 hours; Levels F-4 (40 hour Captains) FF-19 through FF-35, inclusive, divide the annual rate by 2,080 hours. Employees shall be paid on a bi-weekly basis not to exceed the rates set forth in said schedules.

Effective Date: July 1, 2000

2. Cost of Living - Article 13 - Cost of Living -Economic

Employer Final Offer of Settlement:

Revise the contract by eliminating Article 13 - Cost of Living from the contract effective July 1, 2002. Renumber the remaining Articles accordingly.

Effective Date: July 1, 2002

3. Work Week of 24-Hour Personnel - Article 10 Work Week, Section 3. 50.4 Hour Employees - Economic

The City withdraws this issue.

4. Hospitalization Insurance - Employee Contribution for Employee Hospitalization Insurance - Article 46. Hospitalization Insurance - Economic

Employer Final Offer of Settlement:

Revise Article 46 Hospitalization Insurance by adding at the end of the Article the following new subsections:

Effective the beginning of the month, 30 days following the date of the Award in MERC Case No. L00 C-8016, change all of Article 46 Hospitalization references from \$50.00 to \$75.00.

The City's obligation to pay for employee health insurance shall be to pay the lower of (a) the Traditional Plan or (b) the Health Plus HMO, minus \$75. Employees selecting a health care plan which is more expensive than the lower of (a) or (b) above, minus the \$75, will pay the additional cost. A payroll deduction is hereby authorized by employees taking any such plan.

Effective Date: Date of the Award.

5. Hospitalization - Drug Co-Pay - Article 46. Hospitalization Insurance - Economic

Employer Final Offer of Settlement:

Revise Article 46 - Hospitalization Insurance by adding at the end of the Article the following new subsection:

Effective the beginning of the month, 30 days following the date of the Award in MERC Case No. L00 C-8016 or as soon thereafter as is possible, the prescription co-pay under all health insurance plans shall be \$10 generic, \$20 brand prescription drugs.

Effective Date: Date of the Award.

6. Hospitalization Insurance - Employee Contribution for Retiree Hospitalization Insurance - Article 46. Hospitalization Insurance - Economic

Employer Final Offer of Settlement:

Revise Article 46 - Hospitalization Insurance by adding at the end of the Article the following new subsection (e):

Employees shall contribute 1.5 % of their base salary for retiree hospitalization insurance during any fiscal year in which the cost of the retiree hospitalization insurance is computed to be above 8 % of wages. Such employee contributions shall be made by payroll deductions.

Effective Date: Date of the Award

7. Retiree Hospitalization Insurance - Eligible Recipients - Article 46. Hospitalization Insurance - Economic

Employer Final Offer of Settlement:

Revise Article 46 - Hospitalization Insurance by adding at the end of the Article the following new subsection (f):

Employees who retire after July 1, 2003 will be eligible for retiree hospitalization insurance for the retiree and his/her spouse as set forth above. The retiree's dependents shall not be eligible for such coverage.

Effective Date: July 1, 2003

8. Retiree Hospitalization Insurance - Coverage - Article 46. Hospitalization Insurance - Economic

Employer Final Offer of Settlement:

Revise Article 46 - Hospitalization Insurance by adding at the end of the Article the following new subsection (g):

Employees who retire after July 1, 2003 will be eligible for retiree health insurance which shall be no better than that provided to active employees. The City reserves the right, as its option, to modify the retiree hospitalization insurance provided to such retirees to be consistent with the plan provided to current employees.

Effective Date: July 1, 2003

9. Retirement - Age and Service Requirements - Article 49. Retirement and Appendix B - Economic

Employer Final Offer of Settlement:

Revise Article 49 - Retirement, Section 1 by adding the following new subsection:

Effective July 1, 2003, an employee hired after July 1, 2003 must have attained 55 years of age and have completed 25 years of service to be eligible for retirement benefits.

Appendix B shall be amended to reflect the contract change.

Effective Date: July 1, 2003

10. Retirement - Elimination of 13th Check - Article 49. Retirement and Appendix B - Economic

Employer Final Offer of Settlement:

Revise Article 49 - Retirement, Section 1 by adding the following new subsection:

Employees hired after July 1, 2003, and retiring under the City's retirement system shall not be eligible to receive a "13th check."

Appendix B shall be amended to reflect the contract change.

Effective Date: July 1, 2003

11. Retirement Multiplier - Article 49. Retirement and Appendix B - Economic

Employer Final Offer of Settlement:

Revise Article 49 - Retirement, Section 1 by adding the following new subsection:

Effective July 1, 2003, the multiplier used in computing retirement benefits for each year of service rendered after July 1, 2003 shall be 2.4 % .

Appendix B shall be amended to reflect the contract change.

Effective Date: July 1, 2003

12. Retirement - Employee Contributions - Article 49. Retirement and Appendix B - Economic

Employer Final Offer of Settlement:

Revise Article 49 - Retirement, Section 1. (b) by adding the following new provision at the end of the subsection:

Effective July 1, 2003, the employee contribution rate shall be 7.4102% of all earnings.

Appendix B shall be amended to reflect the contract change.

Effective Date: Date of the Award

13. Retirement - FAC Period - Article 49. Retirement and Appendix B - Economic

Employer Final Offer of Settlement:

Article 49 - Retirement, Section 1 shall be revised by adding the following new subsection:

Final average compensation will be computed on the basis of the average of the highest annual base salary for 26 consecutive pays paid the employee during any period of three (3) consecutive calendar years of credited service contained within the employee's five (5) years of credited service immediately preceding the date the employee's employment with the City last terminates.

Appendix B shall be amended to reflect the contract change.

Effective Date: July 1, 2000

14. Retirement - FAC Components - Article 49. Retirement, Section 1, subsections (d) and (e) and Appendix B - Economic

The City withdraws this issue.

15. Use of Vacation Time - Article 24. Annual Leave, Section 2. Annual Leave - Economic

Employer Final Offer of Settlement:

Revise Article 24 - Annual Leave, Section 2. Use of Annual Leave by adding the following new provision at the end of Section 2:

The number of employees in each of the below-designated groups allowed off on any one day for vacation shall be:

- 5 - Fire Fighters
- 2 - Officers
- 1 - 40-hour employee

Effective Date: Date of the Award

16. Annual Leave Accrual - Article 24. Annual Leave, Section 1. Accrual of Annual Leave - Economic

The City withdraws this issue.

17. Night Bonus - Article 17. Night Bonus

Employer Final Offer of Settlement:

Revise Article 17, Night Bonus to provide as follows:

Employees working a 40-hour work week, who work a regularly scheduled shift the majority of hours of which fall between 4:00 p.m. of one day and 8:00 a.m. of the following day, shall be entitled to an additional payment of 7.0 % (effective July 1, 2003 - 5.0 %) per hour over that set forth in the Compensation Plan. Employees working a 50.4 hour work week, shall be entitled to an additional payment of 7.0 % (effective July 1, 2003 - 5.0 %) per hour over that set forth in the Compensation Plan for time worked between 4:00 p.m. of the day and 8:00 a.m. of the following day during said shift.

Night bonus will be used in the base for computation of holiday and overtime rates.

Effective Date: July 1, 2000

18. Provisional Appointments and Supplemental Agreement - Article 35, Provisional Appointments, Section 1. Provisional Appointments - Existing Eligibility List - Economic

Employer Final Offer of Settlement:

Revise Article 35 - Provisional Appointments, Section 1, Provisional Appointments - Existing Eligibility List to provide as follows:

When a vacancy occurs and an eligible list exists for the classification in which the vacancy occurs, but appointment from said eligible list has been halted by court action or action by another legal authoritative body, then said vacancy may be filled by provisional appointment of that person standing highest on the eligible list under challenge and shall continue until appointment may legally be made from said eligible list, or until such time as a revised or new eligible list is established, if such is required by the court or other legal authoritative body.

Delete Supplemental Agreement with respect to Provisional Appointments.

Effective Date: Date of the Award

C. UNION ISSUES

1. Wages - Article 12 - Salaries and Wages

Employer Final Offer of Settlement:

As set forth in City Issue 1 above.

Effective Date: July 1, 2000

2. Cost of Living - Article 13 - Cost of Living

Employer Final Offer of Settlement:

As set forth in City Issue 2 above.

Effective Date: July 1, 2002

3. Retirement - Purchase of Time - Article 48. Prior Military Service Credit Retirement Purposes

Employer Final Offer of Settlement:

Maintain status quo.

Effective Date: July 1, 2000

4. Miscellaneous. The City's position is to maintain the status quo with respect to any other issue the Union may seek to present.

CITY OF FLINT COMPENSATION SCHEDULE
FLINT FIRE DEPARTMENT

(06-30-99 Rates +2.75%) HIRED PRIOR TO 01/01/95

PERSONNEL OFFICE
07-01-99
with changes eff 09-27-99

OCCUPA-

TIONAL LEVEL	BASE	1st 6 Months	2nd 6 Months	2nd Year	'3rd Year	4th Year	5th Year	11th thru 15th Year	16th thru 20th Year	21st Year and Over
Firefighter 1	A B H						43391.94 1688.95 16.557	44344.81 1705.64 16.921	45303.88 1742.53 17.287	46609.87 1792.73 17.785
2nd Driver 1B	A B H	37794.98 1453.74 14.422	38595.13 1484.48 14.727	39374.20 1514.42 15.024	41006.91 1577.22 15.847	42804.35 1638.71 16.257	44177.85 1698.19 16.857	45125.55 1735.68 17.219	46116.21 1773.78 17.597	47517.95 1827.80 18.131
Apparatus Operator 2	A B H					44229.04 1701.20 16.877	45891.65 1785.11 17.511	46913.86 1804.42 17.901	47920.52 1843.13 18.285	49335.79 1897.58 18.825
Sergeant 2	A B H					44229.04 1701.20 16.877	45891.65 1785.11 17.511	46913.86 1804.42 17.901	47920.52 1843.13 18.285	49335.79 1897.58 18.825
Lieutenant 3	A B H					47004.48 1807.95 17.936	48823.85 1877.90 18.630	49898.83 1919.23 19.040	51034.75 1962.88 19.473	52431.58 2016.60 20.006
Captain 4	A B H						56693.42 2180.61 21.633	57820.86 2223.95 22.063	59334.72 2282.11 22.840	60505.31 2327.17 23.087
Batt Chf 5	A B H						63164.24 2429.48 24.102	64296.22 2472.93 24.533	65934.06 2535.93 25.158	66809.12 2569.59 25.492

CITY OF FLINT COMPENSATION SCHEDULE
 FLINT FIRE DEPARTMENT
 (08-30-99 Rates + 2.75%) HIRED PRIOR TO 01/01/95

PERSONNEL OFFICE
 07-01-99
 with changes eff 09-27-99

OCCUPA-

TIONAL	1st 6	2nd 6	2nd	3rd	4th	5th	11th thru	18th thru	21st Year
LEVEL	Months	Months	Year	Year	Year	Year	15th Year	20th Year	and Over
Prevention A					45748.23	47410.11	48427.62	49476.92	50853.68
Insp/Sgt B					1759.60	1823.52	1862.64	1902.86	1955.92
2A H					21.995	22.794	23.283	23.787	24.449
Quartermaster									
Prevention A					48523.88	50343.37	51418.24	52554.13	53950.98
Insp/Lieut B					1888.32	1936.32	1977.68	2021.36	2075.04
3A H					23.329	24.204	24.721	25.267	25.938
Prevention A						58218.01	59349.98	60847.48	62028.00
Captain B						2239.20	2282.72	2340.32	2385.76
4A H						27.890	28.534	29.254	29.822
Safety Trng A						63160.93	64282.88	65924.11	68797.55
Officer B						2429.28	2472.80	2535.60	2589.20
5A H						30.366	30.910	31.695	32.115

CITY OF FLINT COMPENSATION SCHEDULE
 FLINT FIRE DEPARTMENT
 (06-30-99 Rates + 2.75%) HIRED PRIOR TO 01/01/95

PERSONNEL OFFICE
 07-01-99
 with changes eff 09-27-99

OCCUPA-

TIOAL		1st 6	2nd 6	2nd	3rd	4th	5th	11th thru	16th thru	21st Year
LEVEL	BASE	Months	Months	Year	Year	Year	Year	15th Year	20th Year	and Over
Clerk Typ	A			25124.17	26174.12	27230.93	28375.48			
9	B			988.32	1008.72	1047.38	1091.38			
	H			12.079	12.584	13.092	13.642			
Emerg911	A			26171.25	27298.90	28438.16	29584.02	30246.07	30849.47	31684.13
TermOpr	B			1006.64	1050.00	1093.64	1137.84	1183.36	1190.40	1218.64
11	H			12.583	13.125	13.673	14.223	14.542	14.880	15.233
Janitor										
Int Clk Typ	A	26887.20	27505.41	28117.09	29350.21	30586.63	31823.04	32552.84	33320.23	34245.87
13	B	1034.16	1057.92	1081.44	1128.88	1176.48	1224.00	1252.08	1281.60	1317.20
	H	12.927	13.224	13.518	14.111	14.706	15.300	15.651	16.020	16.485
Emerg911	A	27257.34	27749.42	29783.86	30548.83	31318.25	31487.07	31667.88	32012.28	32504.34
DispTr	B	1048.40	1087.28	1145.60	1174.98	1204.48	1211.04	1217.68	1231.28	1250.16
13A	H	13.105	13.341	14.320	14.687	15.058	15.138	15.221	15.391	15.827
Sr Clk Typ	A	28883.84	29542.71	30209.74	31552.08	32891.09	34225.16	35017.69	35849.81	36970.88
15B	B	1110.98	1136.32	1161.92	1213.60	1285.04	1316.40	1348.88	1378.88	1422.00
	H	13.887	14.204	14.524	15.170	15.813	16.455	16.836	17.236	17.775
Int Bldg	A			32290.92	33735.61	35177.85	36618.24	37467.87	38371.02	39579.81
Malnt	B			1242.00	1297.52	1353.04	1408.48	1441.12	1475.84	1522.32
16	H			15.525	16.219	16.913	17.606	18.014	18.448	19.029

CITY OF FLINT COMPENSATION SCHEDULE
 FLINT FIRE DEPARTMENT
 (06-30-99 Rates + 2.75%) HIRED PRIOR TO 01/01/95

PERSONNEL OFFICE
 07-01-99
 with changes eff 09-27-99

OCCUPA-

TIONAL LEVEL	BASE	1st 8 Months	2nd 8 Months	2nd Year	3rd Year	4th Year	5th Year	11th thru 15th Year	16th thru 20th Year	21st Year and Over
PayPersCik										
Fire App	A	31066.68	31779.93	32498.13	33951.11	35405.69	36850.38	37703.99	38617.03	39830.58
Eq Mech	B	1194.88	1222.32	1250.00	1305.84	1361.76	1417.38	1450.16	1485.28	1532.00
17	H	14.938	15.278	15.625	16.323	17.022	17.717	18.127	18.586	19.150
Emerg 911										
Disp	A	32393.95	33107.19	33825.40	35278.34	36732.93	38177.64	39031.22	39944.28	41157.82
17A	B	1245.92	1273.36	1301.04	1356.88	1412.80	1468.40	1501.20	1536.32	1583.04
	H	15.574	15.917	16.263	16.961	17.660	18.355	18.765	19.204	19.788
Emerg911										
AsstSupv	A	33846.36	34384.20	35138.14	36843.69	38153.84	39861.70	40548.95	41498.26	42780.18
17B	B	1294.16	1322.48	1351.52	1408.44	1467.52	1525.52	1559.60	1598.08	1644.64
	H	16.177	16.531	16.894	17.618	18.344	19.069	19.495	19.951	20.558
Fire Adm Cik										
Emerg911Supv										
Sr Fire	A	34892.61	35858.70	36447.93	38004.87	39573.39	41143.58	42084.88	43048.92	44359.87
Alarm Disp	B	1342.08	1371.52	1401.84	1461.78	1522.08	1582.48	1617.92	1655.76	1708.16
18	H	16.776	17.144	17.523	18.272	19.028	19.781	20.224	20.697	21.327
Fire App										
Mech	A	35678.11	36498.70	37347.35	39021.52	40707.28	42394.69	43377.08	44443.67	45845.42
19	B	1372.24	1403.84	1436.48	1500.88	1565.68	1630.58	1688.40	1709.44	1763.28
	H	17.153	17.548	17.956	18.761	19.571	20.382	20.855	21.368	22.041
Sr Bldg Mnt										
Bldg & Line	A	36705.07	37469.53	38329.75	40122.78	41846.52	43154.18	44613.73	45754.61	47205.93
Maint	B	1411.76	1441.20	1474.24	1543.20	1609.62	1659.84	1715.92	1759.84	1815.68
20	H	17.647	18.015	18.428	19.280	20.119	20.748	21.449	21.998	22.696
Medical										
Coord	A						54225.70	55586.02	57007.72	57952.18
22A	B						2085.60	2137.92	2192.64	2228.96
	H						26.070	26.724	27.406	27.862

PERSONNEL OFFICE
07-01-99
with changes eff 09-27-99

TIONAL	1st 6	2nd 6	2nd	3rd	4th	5th	11th thru	16th thru	21st Year
LEVEL	BASE	Months	Months	Year	Year	Year	15th Year	20th Year	and Over

19

CITY OF FLINT COMPENSATION SCHEDULE
 FLINT FIRE DEPARTMENT
 (06-30-99 Rates + 2.75%) HIRED AFTER 01/01/95

PERSONNEL OFFICE
 07-01-99
 with changes eff 09-27-99

OCCUPA-

TIONAL		1st 6	2nd 6	2nd	3rd	4th	5th	11th thru	16th thru	21st Year
LEVEL	BASE	Months	Months	Year	Year	Year	Year	15th Year	20th Year	and Over
Firefighter 1	A	21329.26	24528.64	28794.50	33060.35	37326.20				
	B	820.41	943.49	1107.49	1271.59	1435.69				
	H	8.139	9.360	10.987	12.615	14.243				
FF/EMT Trainee 12	A	20548.64	21183.88	21819.11	25552.59	28055.01				
	B	790.37	814.77	839.28	982.80	1079.06				
	H	7.841	8.083	8.326	9.750	10.705				
Clerk Typ 9	A	19364.38	20502.40	21550.57	23191.33	24897.46				
	B	744.80	788.56	828.88	892.00	957.60				
	H	9.310	9.857	10.361	11.150	11.970				
Emerg911 TermOpr 11	A	20054.48	21240.23	22448.72	24187.92	26001.51				
	B	771.36	816.96	863.44	930.32	1000.08				
	H	9.642	10.212	10.793	11.829	12.501				
Janitor										
Int Ck Typ 13	A	22854.12	24204.76	25586.55	27589.20	29669.03				
	B	879.04	930.96	984.16	1061.12	1141.12				
	H	10.988	11.637	12.302	13.264	14.264				
Emerg911 DispTr 13A	A	23168.74	24419.49	27103.40	28715.90	30376.76				
	B	891.12	939.28	1042.48	1104.48	1168.40				
	H	11.139	11.741	13.031	13.808	14.605				
Int Bldg Maint 16	A	24733.39	26194.54	27697.95	29891.11	32183.74				
	B	951.28	1007.52	1065.36	1149.68	1237.12				
	H	11.891	12.594	13.317	14.371	15.484				

CCUPA- IONAL EVEL		BASE	1st 6 Months	2nd 6 Months	2nd Year	3rd Year	4th Year	5th Year	11th thru 15th Year	16th thru 20th Year	21st Year and Over
refighter	A							44121.14	45089.82	46065.21	47393.15
	B							1696.97	1734.26	1771.76	1822.87
	H							16.835	17.205	17.577	18.084
nd Driver	A		38430.12	39243.72	40035.88	41696.03	43320.32	44920.26	45883.88	46891.19	48316.49
	B		1478.13	1509.38	1539.92	1603.73	1668.22	1727.71	1764.81	1803.51	1858.35
	H		14.664	14.974	15.277	15.910	16.530	17.140	17.508	17.892	18.436
paratus perator	A						44972.31	46662.86	47702.04	48725.82	50164.88
	B						1729.73	1794.74	1834.76	1874.07	1929.41
	H						17.160	17.805	18.202	18.592	19.141
argeant	A						44872.31	46662.86	47702.04	48725.82	50164.88
	B						1729.73	1794.74	1834.76	1874.07	1929.41
	H						17.160	17.805	18.202	18.592	19.141
autenant	A						47794.39	49644.44	50737.38	51892.39	53312.69
	B						1838.29	1909.45	1951.49	1995.94	2050.57
	H						18.237	18.943	19.360	19.801	20.343
iptain	A							57646.15	58792.34	60331.84	61522.10
	B							2217.20	2261.25	2320.52	2366.28
	H							21.996	22.433	23.021	23.475
itt Chf	A							64225.72	65376.72	67042.08	67931.85
	B							2470.31	2514.56	2578.56	2612.84
	H							24.507	24.946	25.581	25.921

INT FIRE DEPARTMENT
7-01-99 Rates + 1.6805% COL) HIRED PRIOR TO 01/01/95

CCUPA-

ONAL	BASE	1st 6 Months	2nd 6 Months	2nd Year	3rd Year	4th Year	5th Year	11th thru 15th Year	16th thru 20th Year	21st Year and Over
evention	A					46517.03	48206.84	49241.45	50308.38	51708.28
isp/Sgt	B					1789.12	1854.16	1893.92	1934.96	1988.80
	H					22.364	23.177	23.674	24.187	24.860
master										
evention	A					49339.32	51189.39	52282.32	53437.30	54857.63
isp/Lieut	B					1897.68	1968.88	2010.88	2055.28	2109.92
	H					23.721	24.611	25.136	25.691	26.374
evention	A						59196.36	60347.36	61870.02	63070.38
aptain	B						2276.80	2321.12	2379.68	2425.84
	H						28.460	29.014	29.746	30.323
afety Trng	A						64222.35	65373.32	67031.96	67920.08
fficer	B						2470.16	2514.40	2578.16	2612.32
	H						30.877	31.430	32.227	32.654

CCUPA-

ONAL	EVEL	BASE	1st 6 Months	2nd 6 Months	2nd Year	3rd Year	4th Year	5th Year	11th thru 15th Year	16th thru 20th Year	21st Year and Over
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erk Typ	A		25546.38		26613.98	27688.24	28852.33				
	B		982.56		1023.68	1064.96	1109.76				
	H		12.282		12.796	13.312	13.872				
nerg911	A		26611.06		27757.66	28916.06	30081.18		30754.36	31469.58	32216.58
immOpr	B		1023.52		1067.60	1112.16	1157.04		1182.88	1210.40	1239.12
	H		12.794		13.345	13.902	14.463		14.786	15.130	15.489
nitor											
Clk Typ	A	27339.04	27967.64	28589.60	29843.44	31100.64	32357.83		33099.89	33880.18	34821.37
	B	1051.52	1075.68	1099.60	1147.84	1196.24	1244.56		1273.12	1303.12	1339.28
	H	13.144	13.446	13.745	14.348	14.953	15.557		15.914	16.289	16.741
nerg911	A	27715.40	28215.75	30284.48	31062.20	31842.52	32016.21		32189.89	32550.25	33050.58
spTr	B	1066.00	1085.28	1164.80	1194.72	1224.72	1231.44		1238.08	1252.00	1271.20
A	H	13.325	13.566	14.560	14.934	15.309	15.393		15.476	15.650	15.890
Clk Typ	A	29369.33	30039.18	30717.41	32082.31	33443.82	34800.31		35606.16	36452.27	37592.18
B	B	1129.60	1155.36	1181.44	1234.00	1286.32	1338.48		1369.52	1402.08	1445.92
	H	14.120	14.442	14.768	15.425	16.079	16.731		17.119	17.526	18.074
Bldg	A		32833.57		34302.54	35769.01	37234.63		38097.52	39015.84	40244.75
aint	B		1262.88		1319.36	1375.76	1432.16		1465.36	1500.64	1547.92
	H		15.786		16.492	17.197	17.902		18.317	18.758	19.349

CCUPA-

ONAL	BASE	1st 6 Months	2nd 6 Months	2nd Year	3rd Year	4th Year	5th Year	11th thru 15th Year	16th thru 20th Year	21st Year and Over
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nyPersCik

re App	A	31588.76	32313.99	33044.26	34521.66	36000.68	37469.65	38337.61	39265.99	40499.93
q Mech	B	1214.96	1242.88	1270.96	1327.76	1384.64	1441.20	1474.56	1510.24	1557.76
	H	15.187	15.536	15.887	16.597	17.308	18.015	18.432	18.878	19.472

nerg 911

A	32938.33	33663.56	34393.84	35871.19	37350.23	38819.22	39687.14	40615.52	41849.48
B	1266.88	1294.80	1322.88	1379.68	1436.56	1493.04	1526.48	1562.16	1609.60
'A	15.836	16.185	16.536	17.246	17.957	18.663	19.081	19.527	20.120

nerg911

istSupv		34211.79	34962.03	35728.64	37259.49	38795.02	40328.21	41230.38	42195.64	43478.74
'B		1315.84	1344.72	1374.24	1433.12	1492.16	1551.12	1585.84	1622.96	1672.32
		16.448	16.809	17.178	17.914	18.652	19.389	19.823	20.287	20.904

re Adm Ck

nerg911Supv

Fire	A	35478.98	36257.94	37060.44	38643.54	40238.42	41835.00	42771.78	43772.36	45105.34
larm Disp	B	1364.64	1394.58	1425.44	1486.32	1547.68	1609.04	1645.12	1683.60	1734.88
	H	17.058	17.432	17.818	18.579	19.346	20.113	20.564	21.045	21.686

re App

ech	B	1395.36	1427.44	1460.64	1526.08	1592.00	1658.00	1696.40	1738.16	1792.96
	H	17.442	17.843	18.258	19.076	19.900	20.725	21.205	21.727	22.412

Bldg Mnt

dg & Line	A	37321.90	38099.21	38973.88	40797.04	42549.75	43879.39	45363.46	46523.52	47999.23
aint	B	1435.52	1465.36	1499.04	1569.12	1636.56	1687.68	1744.80	1789.36	1846.16
	H	17.944	18.317	18.738	19.614	20.457	21.096	21.810	22.367	23.077

edical

A										
oord	B									
'A	H									

CCUPA-

ONAL LEVEL	BASE	1st 6 Months	2nd 6 Months	2nd Year	3rd Year	4th Year	5th Year	11th thru 15th Year	16th thru 20th Year	21st Year and Over
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nerg911SrSupv

dg & Line

Int Supv

re App	A	46279.18	47243.01	48327.58	50588.35	52761.71	54495.17	55283.60	56635.06	58117.47
upv	B	1780.00	1817.04	1858.80	1945.76	2029.36	2096.00	2126.32	2178.32	2235.28
IB	H	22.250	22.713	23.235	24.322	25.367	26.200	26.579	27.229	27.941
ap Fire	A						69503.08	71846.12	73510.68	74214.93
hief	B						2673.20	2763.36	2827.36	2854.48
	H						33.415	34.542	35.342	35.681
ist Fire	A						74783.79	75934.75	77605.22	78125.63
hf	B						2876.32	2920.56	2984.88	3004.88
	H						35.954	36.507	37.311	37.561

UPA-

AL

IL	BASE	1st 6 Months	2nd 6 Months	2nd Year	3rd Year	4th Year	5th Year	11th thru 15th Year	16th thru 20th Year	21st Year and Over
ghter	A	21687.70	24940.84	29278.39	33615.93	37953.47				
	B	834.22	959.31	1126.14	1292.96	1459.79				
	H	8.276	9.517	11.172	12.827	14.482				
AT	A	20893.96	21539.88	22185.78	25982.00	28526.47				
ee	B	803.68	828.48	853.37	999.33	1097.21				
	H	7.973	8.219	8.466	9.914	10.885				
Typ	A	19689.80	20846.94	21912.73	23581.06	25315.86				
	B	757.36	801.84	842.80	906.96	973.68				
	H	9.467	10.023	10.535	11.337	12.171				
911	A	20391.50	21597.17	22825.97	24594.40	26438.47				
pr	B	784.32	830.72	877.92	946.00	1016.88				
	H	9.804	10.384	10.974	11.825	12.711				
Typ	A	23238.18	24611.52	26016.53	28052.84	30167.62				
	B	893.84	946.64	1000.64	1078.96	1160.32				
	H	11.173	11.833	12.508	13.487	14.504				
911	A	23558.09	24829.86	27558.87	29198.47	30887.24				
	B	906.08	955.04	1060.00	1123.04	1188.00				
	H	11.326	11.938	13.250	14.038	14.850				
9	A	25149.03	26634.74	28163.41	30393.43	32704.25				
	B	967.28	1024.48	1083.28	1169.04	1257.92				
	H	12.091	12.806	13.541	14.613	15.724				

CITY OF FLINT COMPENSATION SCHEDULE
FIRE - PERMANENT
(06-30-01 + .2297%) HIRED PRIOR TO 1/1/1995

DEPARTMENT OF HUMAN RESOURCES
6/30/2002

HOURS/YEAR: 2620.8

Occupational Level	Base	1st 6 Months	2nd 6 Months	2nd Year	3rd Year	4th Year	5th Year	11th thru 15th Year	16th thru 20th Year	21st Year and Over
01 FI FIGHTER/ MT	A B H						44222.49 1700.90 16.874	45193.39 1738.30 17.245	46171.02 1775.89 17.618	47502.01 1827.00 18.126
01B DRIVER	A B H	38518.39 1481.56 14.698	39333.86 1512.91 15.009	40127.84 1543.45 15.312	41791.81 1607.46 15.947	43419.83 1670.05 16.568	45023.44 1731.74 17.180	45989.28 1768.84 17.548	46998.90 1807.65 17.934	48427.47 1862.68 18.479
02 Apparatus Operator	A B H					45075.61 1733.76 17.200	46770.04 1798.88 17.846	47811.61 1839.00 18.244	48837.74 1878.41 18.635	50280.11 1933.85 19.186
02 Sergeant	A B H					45075.61 1733.76 17.200	46770.04 1798.88 17.846	47811.61 1839.00 18.244	48837.74 1878.41 18.635	50280.11 1933.85 19.186
03 TENANT	A B H					47904.17 1842.52 18.279	49758.47 1913.79 18.986	50853.92 1955.92 19.404	52011.59 2000.48 19.846	53435.15 2055.21 20.389
04 MIN	A B H					57778.56 2222.34 22.047	58927.39 2266.49 22.485	60470.42 2325.86 23.074	61663.42 2371.72 23.529	

CITY OF FLINT COMPENSATION SCHEDULE
FIRE - PERMANENT
(06-30-01 + .2297%) HIRED PRIOR TO 1/1/1995

DEPARTMENT OF HUMAN RESOURCES
6/30/2002

HOURS/YEAR: 2080

Occupational Level	Base	1st 6 Months	2nd 6 Months	2nd Year	3rd Year	4th Year	5th Year	11th thru 15th Year	16th thru 20th Year	21st Year and Over
02A EVENTION SERGEANT	A B II					46623.88 1793.28 22.416	48317.57 1858.40 23.230	49354.56 1898.32 23.729	50423.94 1939.44 24.243	51827.05 1993.36 24.917
03A MASTER VENTION LEUTENANT	A B II					49452.65 1902.08 23.776	51306.97 1973.36 24.667	52402.41 2015.52 25.194	53560.05 2060.00 25.751	54983.64 2114.80 26.435
04A VENTION APTAIN	A B II						59332.33 2282.08 28.526	60485.98 2326.40 29.080	62012.14 2385.12 29.814	63215.25 2431.36 30.392
05A ETY TRNG FFICER	A B II						64369.87 2475.76 30.948	65523.48 2520.16 31.502	67185.93 2584.08 32.301	68076.09 2618.32 32.729
09 K TYPIST	A B II	25605.06 984.88 12.311	26675.11 1026.00 12.825			27751.84 1067.44 13.343	28918.60 1112.32 13.904			
II G 911 3M OPR	A B II	26672.19 1025.92 12.824	27821.42 1070.08 13.376	28982.48 1114.72 13.934	30150.28 1159.68 14.496	30825.00 1185.60 14.820	31541.87 1213.20 15.165			32290.58 1242.00 15.525

CITY OF FLINT COMPENSATION SCHEDULE
FIRE - PERMANENT
(06-30-01 + .2297%) HIRED PRIOR TO 1/1/1995

DEPARTMENT OF HUMAN RESOURCES
6/30/2002

HOURS/YEAR: 2080

Occupational Level	Base	1st 6 Months	2nd 6 Months	2nd Year	3rd Year	4th Year	5th Year	11th thru 15th Year	16th thru 20th Year	21st Year and Over
13 FI TOR	A	27401.84	28031.88	28655.27	29911.99	31172.08	32432.16	33175.92	33958.00	34901.35
CLERK	B	1053.92	1078.16	1102.16	1150.48	1198.96	1247.44	1276.00	1306.08	1342.40
YPIST	II	13.174	13.477	13.777	14.381	14.987	15.593	15.950	16.326	16.780
13A	A	27779.06	28280.56	30354.04	31133.55	31915.66	32089.75	32263.83	32625.02	33126.50
RG 911	B	1068.48	1087.76	1167.52	1197.44	1227.52	1234.24	1240.96	1254.88	1274.16
ISP TR	II	13.356	13.597	14.594	14.969	15.345	15.428	15.512	15.686	15.927
15B	A	29436.79	30108.18	30787.97	32156.00	33520.64	34880.25	35687.95	36536.00	37678.51
IOR CLERK	B	1132.24	1158.00	1184.16	1236.80	1289.28	1341.60	1372.64	1405.28	1449.20
PIST	II	14.153	14.476	14.802	15.460	16.116	16.770	17.158	17.566	18.115
16	A	29436.79	30108.18	30787.97	32156.00	33520.64	34880.25	35687.95	36536.00	37678.51
BLDG	B	1132.24	1158.00	1184.16	1236.80	1289.28	1341.60	1372.64	1405.28	1449.20
INT	II	14.153	14.476	14.802	15.460	16.116	16.770	17.158	17.566	18.115
17	A	31661.32	32388.22	33120.16	34381.33	35851.17	37320.16	38185.03	39105.46	40337.19
PERS CLK	B	1217.76	1245.76	1273.92	1322.40	1378.96	1435.44	1468.72	1504.08	1551.44
APP EQ	II	15.222	15.572	15.924	16.530	17.237	17.943	18.359	18.801	19.393
CH	A	31661.32	32388.22	33120.16	34381.33	35851.17	37320.16	38185.03	39105.46	40337.19
17A	B	1217.76	1245.76	1273.92	1322.40	1378.96	1435.44	1468.72	1504.08	1551.44
911	II	15.222	15.572	15.924	16.530	17.237	17.943	18.359	18.801	19.393
SP	A	33013.99	33740.89	34472.84	35953.59	37436.02	38908.39	39778.30	40708.81	41945.61
	B	1269.84	1297.76	1325.92	1382.88	1439.84	1496.48	1530.00	1565.76	1613.36
	II	15.873	16.222	16.574	17.286	17.999	18.706	19.125	19.572	20.167

CITY OF FLINT COMPENSATION SCHEDULE
FIRE - PERMANENT
(06-30-01 + .2297%) HIRED PRIOR TO 1/1/1995

DEPARTMENT OF HUMAN RESOURCES
6/30/2002

HOURS/YEAR: 2080

Occupational Level	Base	1st 6 Months	2nd 6 Months	2nd Year	3rd Year	4th Year	5th Year	11th thru 15th Year	16th thru 20th Year	21st Year and Over
17B	A	34290.37	35042.34	35810.71	37345.08	38884.13	40420.84	41325.09	42292.56	43578.61
ERG 911	B	1318.88	1347.84	1377.36	1436.40	1495.60	1554.64	1589.44	1626.64	1676.16
ASST SUPV	II	16.486	16.848	17.217	17.955	18.695	19.434	19.868	20.333	20.952
18	A	35560.48	36341.22	37145.57	38732.30	40330.85	41931.09	42870.03	43872.91	45208.95
RE ADM CLK	B	1367.76	1397.76	1428.72	1489.76	1551.20	1612.80	1648.88	1687.44	1738.80
ERG 911 SUPV	II	17.097	17.472	17.859	18.622	19.390	20.160	20.611	21.093	21.736
FIRE ALARM	A	36361.01	37197.31	38062.20	39768.42	41486.46	43206.15	44207.32	45294.35	46722.93
ISP	B	1398.56	1430.72	1464.00	1529.60	1595.68	1661.84	1700.32	1742.16	1797.04
E APP	II	17.482	17.884	18.300	19.120	19.946	20.773	21.254	21.777	22.463
ECH	A	37407.63	38186.72	39063.40	40890.75	42647.49	43980.18	45467.66	46630.38	48109.48
20	B	1438.80	1468.72	1502.48	1572.72	1640.32	1691.60	1748.80	1793.52	1850.40
BLDG MAINT	II	17.985	18.359	18.781	19.660	20.504	21.145	21.860	22.419	23.130
& LINE	A	46385.48	47351.53	48438.59	50704.55	52882.90	54620.35	55410.59	56765.15	58250.97
INT	B	1784.08	1821.28	1863.04	1950.24	2034.00	2100.80	2131.20	2183.28	2240.48
INT SUPV	II	22.301	22.766	23.288	24.378	25.425	26.260	26.640	27.291	28.006
APP SUPV	A	55263.61	56649.97	58098.88	59061.42	60649.97	6234.64	64098.88	65906.142	67797.04
22B	B	2125.52	2178.88	2234.64	2271.60	23130	23595	24098.88	24606.142	25113.0
SR	II	26.570	27.236	27.933	28.395	2882.90	2934.00	2983.28	3031.20	3078.00
PV	A	54620.35	55410.59	56765.15	58250.97	59061.42	60649.97	6234.64	64098.88	65906.142
& LINE	B	2100.80	2131.20	2183.28	2240.48	23130	23595	24098.88	24606.142	25113.0
INT SUPV	II	26.260	26.640	27.291	28.006	2882.90	2934.00	2983.28	3031.20	3078.00
APP SUPV	A	55263.61	56649.97	58098.88	59061.42	60649.97	6234.64	64098.88	65906.142	67797.04

DEPARTMENT OF HUMAN RESOURCES
6/30/2002

HOURS/YEAR: 2080

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CITY OF FLINT COMPENSATION SCHEDULE
 FIRE - PERMANENT
 (06-30-01 + 2297%) HIRED PRIOR TO 1/1/1995

DEPARTMENT OF HUMAN RESOURCES
 6/30/2002

		HOURS/YEAR: 2620.8								
Occupational Level	Base	1st 6 Months	2nd 6 Months	2nd Year	3rd Year	4th Year	5th Year	11th thru 15th Year	16th thru 20th Year	21st Year and Over
05	A						64373.25	65526.89	67196.08	68087.89
TALION	B						2475.95	2520.30	2584.51	2618.78
CHIEF	II						24.563	25.003	25.640	25.980

CITY OF FLINT COMPENSATION SCHEDULE

DEPARTMENT OF HUMAN RESOURCES

FIRE - PERMANENT

6/30/2002

(06-30-01 + .2297%) HIRED AFTER 1/1/1995

HOURS/YEAR: 2080

Occupational Level	Base	1st 6 Months	2nd 6 Months	2nd Year	3rd Year	4th Year	5th Year	11th thru 15th Year	16th thru 20th Year	21st Year and Over
09	A	19735.03	20894.83	21963.06	23635.23	25374.01	28918.60			
ERK TYPIST	B	759.04	803.68	844.80	909.04	975.92	1112.32			
	H	9.488	10.046	10.560	11.364	12.200	13.904			
11	A	20438.34	21646.78	22878.40	24650.89	26499.20	30150.28	30825.00	31541.87	32290.58
	B	786.16	832.64	880.00	948.16	1019.20	1159.68	1185.60	1213.20	1242.00
ERG 911	H	9.827	10.408	11.000	11.852	12.740	14.496	14.820	15.165	15.525
TERM OPR										
13	A	23291.56	24668.05	26076.29	28117.28	30236.92	32432.16	33175.92	33958.00	34901.35
ITOR	B	895.84	948.80	1002.96	1081.44	1162.96	1247.44	1276.00	1306.08	1342.40
CLERK	H	11.198	11.860	12.537	13.518	14.537	15.593	15.950	16.326	16.780
YPIST										
13A	A	23612.20	24886.89	27622.17	29265.54	30958.19	32089.75	32263.83	32625.02	33126.50
RG 911	B	908.16	957.20	1062.40	1125.60	1190.72	1234.24	1240.96	1254.88	1274.16
ISP TR	H	11.353	11.965	13.280	14.070	14.884	15.428	15.512	15.686	15.927
16	A	25206.80	26695.92	28228.10	30463.24	32779.37	37320.16	38185.03	39105.46	40337.19
BLDG	B	969.52	1026.80	1085.76	1171.68	1260.80	1435.44	1468.72	1504.08	1551.44
AIN	H	12.119	12.835	13.572	14.646	15.760	17.943	18.359	18.801	19.393

CITY OF FLINT COMPENSATION SCHEDULE
FIRE - PERMANENT

DEPARTMENT OF HUMAN RESOURCES
6/30/2002

(06-30-01 + .2297%) HIRED AFTER 1/1/1995

		HOURS/YEAR: 2620.8								
Occupational Level	Base	1st 6 Months	2nd 6 Months	2nd Year	3rd Year	4th Year	5th Year	11th thru 15th Year	16th thru 20th Year	21st Year and Over
01	A	21737.52	24998.13	29345.64	33693.15	38040.65	44222.49	45193.39	46171.02	47502.01
FI GHTER/ MT	B	836.14	961.53	1128.76	1295.88	1463.11	1700.90	1738.30	1775.89	1827.00
	H	8.295	9.539	11.198	12.857	14.515	16.874	17.245	17.618	18.126
12	A	20941.95	21589.36	22236.74	26041.68	28592.00				
EMT RAINEE	B	805.49	830.39	855.29	1001.65	1099.73				
	H	7.991	8.238	8.485	9.937	10.910				

STATUTORY AUTHORITY

Public Act No. 312 of 1969, MCL 423.231, *et. seq.*, provides for compulsory arbitration of labor disputes involving municipal fire fighters. Section 8 of the Act states, in relation to economic issues, that:

The arbitration panel shall adopt the last offer of settlement which, in the opinion of the arbitration panel, more nearly complies with the applicable factors described in Section 9. The findings, opinions and orders as to all other issues shall be based upon the applicable factors prescribed in Section 9. MCL 423.238.

Section 9 of the Act contains eight factors upon which the Panel must base its opinion and orders. The factors are as follows:

- a. The lawful authority of the employer.
- b. Stipulations of the parties.
- c. The interests and welfare of the public and financial ability of the unit of government to meet those costs.
- d. Comparison of wages, hours and conditions of employment of the employees involved in the arbitration proceeding with the wages, hours and conditions of employment of other employees performing similar services and with other employees generally.
 - (i) In public employment in comparable communities.
 - (ii) In private employment in comparable communities.
- e. The average consumer prices for goods and services, commonly known as the cost of living.
- f. The overall compensation presently received by the employees, including direct wage compensation, vacations, holidays and other excused time, insurance and pensions, medical and hospitalization benefits, the continuity and stability of employment, and all other benefits received.

- g. Changes in any of the foregoing circumstances during the pendency of the arbitration proceedings.
- h. Such other factors, not confined to the foregoing, which are normally or traditionally taken into consideration in the determination of wages, hours and conditions of employment through voluntary collective bargaining, mediation, fact-finding, arbitration or otherwise between the parties, in the public sector or in private employment. MCL 423.329.

Section 10 of the Act provides that the decision of the Panel must be supported by "competent, material and substantial evidence on the whole record." MCL 423.240. This has been acknowledged by the Michigan Supreme Court in *City of Detroit v. Detroit Police Officers Assoc.*, 408 Mich 410 (1980). There, Justice Williams commented on the importance of the various factors, stating:

The Legislature has neither expressly or implicitly evinced any intention in Act 312 that each factor of Section 9 be accorded equal weight. Instead, the Legislature has made their treatment, where applicable, mandatory on the panel through the use of the word "shall" in Sections 8 and 9. In effect, then, the Section 9 factors provide a compulsory checklist to ensure that the arbitrators render an award only after taking into consideration those factors deemed relevant by the Legislature and codified in Section 9. Since the Section 9 factors are not intrinsically weighted, they cannot of themselves provide the arbitrators with an answer. It is the panel which must make the difficult decision of determining which particular factors are more important in resolving a contested issue under the singular facts of a case, although, of course, all "applicable" factors must be considered. *Id.* at 484.

The Arbitration Panel applied all of the Section 9 factors in considering each of the disputed issues herein even if not specifically discussed.

BACKGROUND

I. THE CITY OF FLINT, MICHIGAN.

Consideration of the Section 9 factors contained in Act 312 would not be possible without an understanding of the current condition of the City of Flint and the status of its Fire Department.

The City of Flint is located in southern Genesee County, Michigan, and comprises an area of 34.06 square miles. (Union Exhibit "2.") The population of the City of Flint has declined by almost 36% since the 1970 census. According to the 2000 census, the City of Flint has a population of 124,943. (City Exhibit "2.")

Not only has the City's population dramatically declined in recent years, but its tax base has also declined. The City of Flint experienced a decline in its taxable value from 1990 through 2000. (City Exhibit "4.") That decline in tax base was more than \$37,000,000. (*Id.*) This decline is notable in comparing 1990 SEA and 2001 taxable value on a per capita basis as well. (See City Exhibit "6.") Significantly, since 1990, Flint's industrial property tax base has declined over \$117,000,000 or by 37.52%. (City Exhibit "10.") Likewise, the City experienced a decline of 22.14% in its personal property tax base over the past 11 years. (City Exhibit "11.")

Not surprisingly, the unemployment rates as of fall 2002 were also reflective of the general economic erosion experienced by the City. As of October, 2002, the unemployment rate in the City was 19.9%. (City Exhibit "6.")

Among other things, the City boundaries contain 8 high schools, 4 middle schools, 31 elementary schools, 5 colleges, an international airport, national rail service, a municipal transportation authority, 3 hospitals, a municipal library with 4 locations, 4 golf courses, a ski resort, a municipal cultural center, and various industrial and commercial/retail centers.

Despite its economic woes, the City endeavors to provide high quality municipal services to its constituents. City staff are currently grouped into six different bargaining units and three units of unrepresented employees. In addition to the Flint Fire Fighters Union, the City has collective bargaining relationships with the Flint Police Officers Association, covering approximately 169 police officers, the Labor Council for the Fraternal Order of Police covering approximately 58 sergeants in the Police Department, the Flint Police, Lieutenants and Captains Association covering approximately 12 lieutenants and captains in the Police Department, AFSCME Local 1600 covering almost 500 general City employees, and AFSCME Local 1799 covering approximately 70 supervisory employees. Non-represented employee groups include appointed and exempt employees.

The Flint Fire Department currently consists of 121 uniformed personnel holding the ranks of fire fighter (46), driver (48), lieutenant (16), captain (8), and battalion chief (3). (City Exhibit "28" and Union Exhibit "28.") The fire chief has overall command responsibility for the Department and is the Department's only non-bargaining unit uniformed officer. (*Id.*)

The Fire Department operates on three shifts, each shift working 24 hours. (Tr. Vol. I – 148, hereinafter transcript volumes will be referred to as I, II, III.) The shifts are

assigned to work one day on, followed by two days off. (*Id.*) Additionally, once a month each shift receives a "Kelly day," a paid day off. (Vol. I – 148-149.) Thus, the average work week is 50.4 hours. (Vol. I – 149, 158.) Additionally, the Department has 35 employees who work a 40 hour work week. (Vol. I – 158.) The Fire Department currently operates out of six stations. It has six functioning fire engines and one paramedic vehicle. (Vol. I – 152.) Ambulance service is provided by a private company. (Vol. I – 153.) The Fire Department has experienced layoffs within the last couple of years. That has increased the historical ratio of approximately 725 citizens to one Flint fire fighter to 940 citizens per fire fighter. (City Exhibit "2.")

II. THE FINANCIAL ABILITY OF THE CITY.

In evaluating the proposals of the parties, this Panel is constrained by Section 9 of the Act to consider the financial ability of the municipality to meet contract demands. This factor is particularly significant in the instant case because, as both parties agree, the City has been in the throws of a fiscal crisis, culminating in a deficit in excess of \$26,000,000 (City Exhibit "63," p. 77), and the appointment of a receiver by the Governor of the State of Michigan.

The source of the City's financial problems bear analysis since they impact to what extent the City's financial troubles may be addressed through this interest arbitration. In other words, to what extent, if at all, can and should the City seek a contribution from Petitioner to address its budget crisis.

The City's budget deficit has resulted, in large part, from a rapidly deteriorating tax base. In the recent past, the City's real property tax base has declined

by almost \$31,000,000 and the personal property tax base has declined by over \$153,000,000. (City Exhibit "50.") The decline in the City's tax base has been the result of a number of factors. First, the passage of Proposal A has limited the City's ability to increase assessments on property. (Vol. I – 232.) Further, the City's tax base has declined due to the loss of General Motors and other significant employers from the City. (Vol. I – 234, City Exhibit "54.") Property and City income tax exemptions resulting from the designation of certain properties as renaissance zones have also contributed to a loss of tax revenue. (City Exhibit "55.") Other factors include a decrease in personal property taxable value (City Exhibit "57"), a decrease in City income tax collected, and reductions in state shared revenue. (City Exhibit "102," Vol. II – 309-310.)

Realizing that increasing revenue was not an immediate possibility, and that drastic measures would have to be taken to decrease expenditures, the City engaged in a series of layoffs and other cost saving measures to cut down on expenditures. For example, Fire Department personnel decreased from 223 in fiscal year 2000 to 143 by fiscal year 2003. (City Exhibit "76," p. 17, Union Exhibit "42.") Similarly, the Police Department was reduced by 76 staff. As a result of the layoffs, Fire Department expenditures were reduced from almost \$20,000,000 in 1996 to approximately \$16,000,000 in fiscal year 2002. (City Exhibits "64, 93, and 99.") Further, the City closed one of its fire stations and eliminated its ambulance service. (Vol. II – 405, 409.) Reductions in Police Department expenditures were also substantial, albeit not as significant on a percent of payroll basis. (Union Exhibit "35.")

Despite dire predictions that the budget deficit would actually increase in fiscal year 2002, the City was able, through its cost cutting measures, to reduce its general fund deficit from \$26,585,346 to \$26,255,585. (City Exhibit "65.") This was largely accomplished through decreases in budgeted expenditures. Indeed, Fire Department expenditures for the year were \$410,139 below budget. (*Id.*) Additionally, the City's emergency financial manager issued a proposed financial plan on or about February 11, 2003. (City Exhibit "185.") Despite earlier speculation that the plan would call for the issuance of deficit reduction bonds, the plan called for the City to enter into a loan agreement with the Sewage Disposal Division Fund (SDDF) on the last day of the current fiscal year. (*Id.*) The City would be obligated to then make loan repayments, including interest, on the deficit over a five year period. (*Id.*)

While it appears that the City is taking control of its financial destiny in a responsible and achievable manner, it cannot be gainsaid that the City faces significant financial challenges in the future, including loan repayment to the SDDF and development of means to enhance its revenue picture.

III. COMPARABLE COMMUNITIES.

Section 9(d) of Act 312 identifies a comparison of comparable communities as a factor in the determination of Act 312 disputes. Typically, this factor is of great significance and assistance to an Act 312 Panel in resolving negotiations disputes. This is because comparability functions as a guiding force in evaluating the reasonableness of the parties' proposals.

The parties herein have a long labor relations history and well-defined negotiations protocol. Thus, under normal circumstances, there should be little dispute on the issue of external comparability. However, given the unique circumstances of the City's financial condition, the City asserts, in the instant proceeding, that there are no external comparables which are truly "comparable" to the City of Flint. In other words, no other community in the state of Michigan faces precisely the budget deficit or economic/demographic factors which the City of Flint faces at the present time. Thus, while other communities may have regularly been chosen by the parties in the past as comparables in negotiations or in Act 312 arbitration proceedings, current circumstances render an extensive comparability analysis a somewhat futile exercise.

Nonetheless, the City offers a number of communities as comparable communities within the meaning of Section 9(d) of Act 312 with the caveat that the City's economic crisis functionally trumps a serious comparability analysis. The City offers the cities of Lansing, Saginaw, Battle Creek, Jackson, and Muskegon as comparable communities. Further, the City argues that any historical comparisons to other communities are no longer relevant because of the dramatic change in the City's population, taxable value, personal property, income and property taxes collected, housing units, vacancy rates, poverty level, housing values, and unemployment rates.

By contrast, the Union offers the following cities as external comparables: The cities of Lansing, Saginaw, Ann Arbor, and Grand Rapids. The Union asserts that its proffered comparables have enjoyed historical acceptance by the parties in negotiations and in various Act 312 arbitrations dating as far back as the 1980s. Indeed, in the recent

Act 312 arbitration between the City and its police officers, the City initially included the cities of Ann Arbor and Grand Rapids as comparable communities, although later it withdrew them. (Union Exhibit "6.") The Union urges the Arbitrator Panel to reject the cities of Battle Creek, Jackson, and Muskegon since, as Arbitrator Chiesa found, they are too far and too small to be given any comparable weight. (Union Exhibit "3.")

The Arbitration Panel has carefully considered the parties' arguments and the data presented regarding the proffered comparables. While the parties have historically relied upon various communities to assist them in resolving their bargaining disputes, these are no longer "normal times." None of the suggested communities are facing the fiscal crises and economic deterioration that the City of Flint has experienced in the recent past. Thus, to regard any of them as truly comparable within the meaning Section 9(d) would not greatly assist this Panel in making its award. In truth, it doesn't matter which comparables are designated for use in this proceeding, since the ability to pay aspect of this case and Flint's current financial crisis make the issue of comparability a much less salient factor.

Nonetheless, some consideration of external comparability is required to reconcile the City's financial straits with needs of the Union's bargaining unit members. To myopically focus on the City's economic crisis would not result in an award which takes into account labor market factors and the very real obligation on the part of the City to provide effective fire suppression services to the residents of the City of Flint.

The Arbitration Panel will consider the comparables offered by the City as more nearly "comparable" to the City of Flint. The cities of Ann Arbor and Grand Rapids

are rejected, despite their historical significance to the parties, since, at present, they do not share enough similarity with the City of Flint to make them worthy of comparison.

IV. JOINT ISSUE 1 – DURATION.

The parties have stipulated to a four year contract term, commencing July 1, 2000 through June 30, 2004. Accordingly, this issue has been resolved and the parties' stipulation will be incorporated into the final Award.

**V. ISSUE NO. 1 AND UNION ISSUE NO. 1 – SALARY AND WAGES
(ECONOMIC)**

In their Last Best Offers, both parties propose a 0.0 percent increase on all steps of the salary schedule for all ranks throughout the life of the contract. In essence, the proposals amount to a four year wage freeze. Functionally, there is no difference between the proposals. Thus, since the Union was the initial proponent on the issues of wages, the Panel will adopt the Union's proposal on this issue.

**VI. CITY ISSUE NO. 2, UNION ISSUE NO. 2 – COST OF LIVING
(ECONOMIC)**

Article 13 of the expired collective bargaining agreement contains a cost of living provision which provides, in pertinent part, that COLA payments shall be folded into the base wage as of June 30th of each contract year. Due to the survivorship of this provision, Petitioner's bargaining unit members received cost of living increases and the prescribed fold-ins through June 30, 2002. The City proposes to eliminate the cost of living provision in its entirety. The Union proposes to suspend its application during the third and fourth years of the successor agreement, being July 1, 2002 through June 30, 2004. COLA payments would resume effective July 1, 2004.

For the reasons which follow, the Arbitration Panel determines that the City's proposal on the issue of COLA conforms more nearly to the Section 9 criteria than does that of the Union and, therefore, awards the City's position on this issue.

First, the interest and welfare of the public and the financial ability of the unit of government to meet the cost of the COLA provision weigh in favor of the City's proposal. As thoroughly discussed in Section II, *supra*, the current financial plight of the City of Flint calls for it to "belt tighten" in virtually all areas of city government. Indeed, the parties have not disputed the necessity for a wage freeze over a four year period. Although the Union proposes a suspension of the COLA provision, a mere suspension will expire by its own terms July 1, 2004, and the COLA provision will reactivate, thus locking in an expenditure on the part of the City.

In comparing the wages, hours, and conditions of employment of the Fire Fighters to those provided by the comparable communities, both internal and external, the Panel notes that the Fire Fighters' current compensation, even given a wage freeze, compares favorably to that of the comparables. (See City Exhibits "119 through 124.") Indeed, the Fire Fighters' compensation is above the average amongst the comparables. No other comparable community provides a COLA provision. (City Exhibit "130.") Further, none of the other City units (internal comparables) have a COLA provision in their contract. (City Exhibit "131.") Likewise, none of the exempt City employees receive a cost of living adjustment. (Vol. II - 471.) Yearly COLA adjustments to the Fire Department have been approximately \$150,000, a sum which is not insignificant given the City's current financial situation. (City Exhibit "131.") This has resulted in members of this bargaining unit

receiving wage enhancements when other City employees received no pay increase whatsoever. (City Exhibit "39"; Vol. II – 472.)

While it is hoped that the City's financial picture has and will continue to improve, the City still faces a staggering deficit which it must repay. Accordingly, it is reasonable to award not just a suspension of the COLA provision, but its abrogation. This is also warranted in light of the fact that none of the external or internal comparables enjoy a similar provision. Thus, while other arbitrators may have treated the provision in the past as "unique" and worthy of preservation as a product of the historical give and take aspect of negotiations, the provision can no longer be justified on the basis of its "uniqueness." Rather, it has become an anachronistic luxury.

VII. UNION ISSUE NO. 3 – RETIREMENT – PURCHASE OF TIME (ECONOMIC)

In its Last Best Offer, the Union proposes that a letter of agreement, permitting the purchase of retirement credit under specified conditions, be adopted. The letter of agreement would establish a window period for such purchases to begin the first day of the month following the issuance of the Act 312 Award and to continue for three months thereafter. Fire Fighters purchasing credit during the window period pursuant to the letter of agreement would retire at the end of the window period. Credit could be purchased for time spent in employment with a governmental entity other than the City, time spent on layoff from the City, unpaid sick leave time, leaves of absence without pay, interim or temporary employment with the City, prior military service, and "generic" time. A total of five years of service time could be purchased under the Union's proposal.

The Union justifies its proposal on the basis of internal comparability. It points out that in July of 2000, when the City first became aware of its financial problems, it met with various Union representatives to explore the concept of early retirement. The purpose of the early retirement was to save the City labor costs. Ultimately, the City made an early retirement proposal, similar to the one the Union now proposes, to all bargaining units except the Fire Fighters. The City decided not to offer the same opportunity to the Fire Fighters Union because, at the time, it did not contemplate laying off any Fire Fighters. Thus, it did not need an inducement for early retirements. Subsequently, however, members of the Fire Department were in fact laid off in July, 2001. Indeed, 24 of the Fire Fighters laid off in July of 2001, have yet to be recalled. (Vol. I – 125.)

The Union further argues that its proposal would save the City money by inducing more senior Fire Fighters to purchase credit and retire, thus permitting the City to recall junior, and theoretically lower paid, Fire Fighters to active service. Further, the Union emphasizes that its proposal will be paid for in part or in whole by the fact that employees have to purchase the credit in question. However, only the generic credit is purchased on a fully actuarial basis. Thus, the City has unfunded liability for credit purchased for other forms of "service."

The City opposes the Union's proposal on the basis that it would not provide a cost savings, but a cost outlay, for the City. This is due to the fact that Fire Fighters would be retiring earlier, would not be paying the actuarial cost of the credit (thus leaving an unfunded liability), and the City would have to incur the cost of both an early retiree and a junior employee.

Although the City recognizes the fact that it made a similar offer to the other bargaining units, it has since realized that this early retirement incentive did not provide the City with the cost savings it needed. Thus, the proposal is not justified by either consideration of Section 9(c) or 9(d) of Act 312.

After considering the arguments of the parties, the Arbitration Panel awards the Last Best Offer of the City on this issue. Internal comparability does not favor the Union's position where the early retirement incentive has proven to be a "bad bargain" for the City in addressing its economic woes. The goal of both parties, as well as this Arbitration Panel, should be to rationally address wages, hours, and working conditions, keeping in mind the City's financial status. It is the task of this Arbitration Panel to make sure that bargaining unit members receive fair wages, hours, and working conditions in conjunction with a consideration of the Section 9 factors, and not exacerbate an economic problem. The compelling feature of internal comparability is greatly muted when it functions to unbalance the favorable aspects of the other Section 9 factors. Accordingly, the Arbitration Panel concludes that the Section 9 factors favor adoption of the City's Last Best Offer on this issue.

**VIII. CITY ISSUE NO. 3 – WORK WEEK OF 24 HOUR PERSONNEL – ARTICLE X
(ECONOMIC)**

This issue was withdrawn prior to the submission of Last Best Offers and, therefore, will not be addressed by the Arbitration Panel.

IX. CITY ISSUE NO. 4 – HOSPITALIZATION INSURANCE – EMPLOYEE CONTRIBUTION
(ECONOMIC)

Currently, under Article 46 of the collective bargaining agreement, the City provides traditional Blue Cross/Blue Shield insurance coverage for bargaining unit members. Employees have the option to select HMO coverage or Blue Cross/Blue Shield CMM PPO. Employees electing traditional Blue Cross/Blue Shield coverage are required, by contract, to pay \$50 per month toward the cost of said coverage.

In their Last Best Offers, both the Union and the City proposed that the \$50 employee contribution be increased to \$75. Accordingly, this aspect of City Issue No. 4 will not be addressed since both parties are in agreement. The only remaining point of dispute with regard to City Issue No. 4 involves the City's proposal to adopt new language in Article 46, which obligates the City to pay for employee health insurance at the rate of the lower of (a) the traditional plan, or (b) the health plus HMO, minus \$75. Employees selecting a health care plan which is more expensive than the lower of (a) or (b), minus the \$75, will pay the additional cost.

The City asserts that its proposal is necessitated by the City's current financial position, dramatically escalating health care costs, and recognition of the generous health care benefits already extended to bargaining unit members. City Exhibit "138" reveals that insurance rates between the period 1997 through 2003 increased annually by almost 19 percent, depending on the coverage selected. This has caused the City to incur substantial increases in health care costs for active employees. (See, for example, City Exhibits "138" and "139.") The City's proposal to tie the maximum

contribution to the lessor of the cost for either the traditional plan or the health plus HMO, minus \$75, is yet one more example of its attempt to not just cut costs, but to control costs. Adoption of the City's proposal would mirror a provision which was recently awarded in the Police Officers Act 312 arbitration. (City Exhibits "35" and "36.")

In evaluating the City's proposal, this Arbitration Panel acknowledged the application of Sections 9(c), (d), (f), and (g) of Act 312. However, the Panel expressed concern that adoption of this provision might "trap" bargaining unit members into paying more if health insurance premium rate increases went into effect at a time other than an open enrollment period for selection of health insurance coverage. However, the Panel has been assured that not only will bargaining unit members be able to select health insurance coverage during normal enrollment periods, but that an open enrollment period will be offered in the event that rate changes occur which would negatively impact bargaining unit members who had made a health insurance plan selection based upon prevailing rate information which subsequently changes during a period other than the normal enrollment period. It is with that understanding in mind that the Panel adopts the City's offer and directs the parties to add language to the City's proposal which would clarify that understanding. Absent the ability of the parties to agree to such language, the Panel reserves jurisdiction to re-evaluate its Award on this issue.

X. CITY ISSUE NO. 5 – EMPLOYMENT HOSPITALIZATION INSURANCE – DRUG CO-PAY
(ECONOMIC)

Under Article 46 of the expired collective bargaining agreement, there is a \$10 prescription drug co-pay required of employees. In their Last Best Offers, both the City

and the Union propose that the prescription drug co-pay on all health plans be changed to a \$10 generic, and \$20 brand prescription drugs. Since there is no substantive difference between the parties' proposals, the Panel will not discuss this issue but simply awards the proposal of the Union.

XI. CITY ISSUE NO. 6 – HOSPITALIZATION INSURANCE – EMPLOYEE CONTRIBUTION FOR RETIREE HOSPITALIZATION INSURANCE (ECONOMIC)

The City provides health insurance for its retirees. Under Article 46 of the collective bargaining agreement, there is currently no employee contribution for this deferred benefit. The City proposes to add a new subsection to Article 46 which would obligate current employees to contribute 1.5 percent of their base salary for retiree health insurance during any fiscal year in which the cost of the retiree hospitalization insurance was computed to be above 8 percent of wages. The Union proposes to maintain the status quo.

After consideration of City Issue No. 6, the Arbitration Panel determines to award the Last Best Offer of the Union on this issue. Although the City's stated intention in making its proposal is to rein in retiree health care costs and, presumably, to develop a method for pre-funding retiree health benefits, the City's proposal is troublesome. First, there is ambiguity in the proposal's use of the terms "base salary" versus "wages." Precisely how this provision would be interpreted and applied was the subject of some debate and, thus, despite the City's financial plight, the Arbitration Panel is reluctant to award a provision when savings are speculative and the operation of the provision could be subject to dispute and rancor.

The Arbitration Panel also notes, from a comparability standpoint, that while the City's Fire Fighters enjoy a very favorable retirement package, which includes health insurance benefits, none of the other external comparables requires its current employees to fund retiree health benefits. Further, consideration of internal comparability also favors the Union's position on this issue. No other City employees contribute to retiree health care costs. Not even unrepresented employees have been required to pay such costs.

XII. CITY ISSUE NO. 6 – HOSPITALIZATION INSURANCE – ELIGIBLE RECIPIENTS (ECONOMIC)

The City proposes to eliminate dependent coverage for employees who retire after January 1, 2003. Health insurance coverage would remain available for the retiree and his/her spouse but would cease for dependents. The Union opposes the City's Last Best Offer on this issue and proposes no change to the status quo.

Once again, the purpose of the City's proposal is to contain costs. Currently, dependent coverage for retirees is a costly benefit. (City Exhibit "148".) This is particularly true since the City's retirement plan allows Fire Fighters to retire as early as age 43. The City's retirement plan for its Fire Fighters does not contain an eligibility requirement based upon age. Thus, the younger the age at which a Fire Fighter retires, the more likely it is that he or she will have dependents who require health care coverage.

The City's argument on this issue is based upon factor 9(c) is not persuasive. The City did not provide any calculations as to the cost savings that would be realized by eliminating this benefit. (Vol. III, 568, 570.) While in truth, such savings may be difficult to calculate since it would require speculation as to future health insurance rate increases

and the foreseeable number of retiree dependents, some systematic projection of savings would have been helpful to the Panel in evaluating this issue.

Perhaps most fatal to the City's proposal is the fact that neither the external comparables nor the internal comparables support the position of the City. The external comparables provide dependent health coverage to retirees. (City Exhibit "144.") Further, the City currently provides dependent coverage for retirees in other City departments, including both represented and not-represented City employees (retirees). Thus, the City's position is not supported by either external comparability or internal comparability considerations under Section 9(d) of Act 312.

The Arbitration Panel also specifically considered the overall compensation presently received by the employees, including direct wage compensation, vacations, and the like. While those benefits are currently adequate, the City would not compare favorably to its external comparables or to its internal comparables if this benefit were removed. Accordingly, the Panel concludes that the Section 9 factors favor the Last Best Offer of the Union on this issue.

XIII. CITY ISSUE NO. 8 – HOSPITALIZATION INSURANCE – COVERAGE (ECONOMIC)

Under Article 46 of the collective bargaining agreement, retirees are entitled to continued hospitalization insurance at the same level they received at the time of their retirement. The City proposes that effective July 1, 2003, employees who retire after that date will be eligible for retiree health insurance which shall be no better than that provided to active employees. The City could, at its option, modify the health insurance it provides to retirees to be consistent with (but no better than) that provided to current employees.

In support of its proposal, the City asserts that addition of this provision would merely allow it to adjust the health insurance it provides to retirees to track more closely with that offered to active employees. This would allow the City more flexibility in managing retiree health care costs and would tie retiree benefits to the benefits negotiated by active employees. The City once again justifies its proposal on the basis of financial emergency. It reasons that even if none of the comparables have such a provision, its proposal is warranted due to its serious economic conditions. Not only must the City look to cut current costs, but it must control future spending as well.

While the City's financial problems have been real and unprecedented, its attempt to reduce future benefits, and thus, expenditures, is not warranted in all cases. The City's proposal affects not active employees, who may be able to more easily absorb some compensation slow down or reduction, but current retirees who live on a fixed income. Their ability to absorb increased costs at a time when their compensation is fixed would likely pose a hardship.

The Arbitration Panel is persuaded that the City's proposal is not justified on the basis that the City wants flexibility in coordinating health care benefits between current employees and retirees. If that were simply the case, then the City would not have phrased its Last Best Offer as providing current retirees with health care that was "no better than" that offered to active employees. As the Union notes, what would the impact be on current retirees if, in some future negotiations, the parties eliminated health insurance for current employees in favor of higher wages or other benefits. Under free negotiations, the parties often choose to shift wages depending on economic conditions and the

demographics of their bargaining unit. Under such circumstances, the City's proposal would have a dire impact on individuals who needed health care the most, current retirees.

Lastly, the Arbitration Panel notes that the City's Last Best Offer is not supported by either external or internal comparability. None of the other external comparables has adopted such a proposal. Further, the City of Flint has not imposed it on any of its other represented or non-represented employees. Thus, Section 9 factors favor adoption of the Last Best Offer of the Union on this issue.

XIV. ISSUE NO. 9 – RETIREMENT(EMPLOYMENT)SERVICE REQUIREMENTS

The City proposes a number of modifications to the retirement plan offered to the Fire Fighters. In City Issue No. 9, it proposes to modify Article 49, Section 1 of the collective bargaining agreement to require that employees hired after July 1, 2003, complete 25 years of service and have attained at least 55 years of age to be eligible for retirement benefits. Currently, a Flint Fire Fighter may retire after 23 years of service. There is no age requirement. The Union proposes no change in the status quo.

The City's retirement system, as of the 2000 draft actuarial valuation, showed an unfunded liability of almost \$7,000,000. (City Exhibit "165," p. A-12.) The funding was adversely affected that year by a larger than expected number of retirees in all employee divisions (City Exhibit "165," p. A-8), and a decline in the stock market. Accordingly, along with its other financial headaches, the City is looking critically at its retirement system in an attempt to control its costs.

In proposing that the age and service requirements of the retirement plan be modified for those employees hired after July 1, 2003, the City notes that only one of the

comparables allows employees to retire with less than 25 years of service. (City Exhibit "158".) Most of the comparables have an age requirement as a factor to determine retirement eligibility. Since Fire Fighters can retire as early as age 43, it is actuarially likely that they will draw a retirement benefit for a longer period of time than similarly situated fire fighters with other municipalities.

One of the ways in which the City desires to rectify its deficit problem is through imposition of a mandatory 25 year service and 55 years of age requirement before a Fire Fighter would be eligible to retire under the City's plan. The Union argues that the establishment of a so-called two-tier retirement system (for pre-July 1, 2003, and post-July 1, 2003 employees) will be divisive to the bargaining unit. Further, the proposal is not responsive to the present emergency nature of the City's financial crisis. This proposal focuses on a long term change which would reap only speculative savings. The City made a similar proposal in the Police Patrol Unit Act 312 Arbitration and its proposal was rejected by the arbitration panel in that proceeding. Further, internal comparability favors the Union's position of maintenance of the status quo.

After careful consideration of the parties' Last Best Offers in conjunction with the Section 9 factors, the Panel awards the Last Best Offer of the Union on City Issue No. 9. There is no evidence as to how much or even whether on what City Issue No. 9 would save the City money over any extended period of time. The City presented no actuarial study or other evidence to support its claim of savings. Thus, factor 9(c) cannot be said to favor the City in any compelling way.

Likewise, although some of the external comparables have an age requirement associated with their pension plans, not all do. Further, this proposal was evaluated and rejected by the Police Patrol Act 312 Arbitration Panel. While the decision of that panel is not binding on this Arbitration Panel, it does bear on the issue of internal comparability.

**XV. CITY ISSUE NO. 10 – RETIREMENT – ELIMINATION OF THE THIRTEENTH CHECK
(ECONOMIC)**

The City proposes to eliminate the so-called “thirteenth check” retirement benefit for all employees hired after July 1, 2003. The Union proposes to maintain the status quo.

Currently, the so-called thirteenth check is an additional payment made to retirees in years in which the pension plan achieves a return above 8 percent. (Vol. III – 616.) The City maintains that this thirteenth check is a “direct drain” on the City’s pension plan and general fund. Given the City’s dire financial condition, the City maintains that there is no justification for continuing this benefit.

In response, the Union argues that the City failed to demonstrate the savings, if any, its proposal would generate. Such savings are speculative at best. Further, the proposal does nothing to address the immediate fiscal emergency that the City faces. Accordingly, such emergency is not a basis for adoption of the proposal.

The Panel has considered the arguments of the parties and evaluated their Last Best Offers in light of the Section 9 criteria. The Panel concludes that those criteria

favor adoption of the Union's Last Best Offer regarding City Issue No. 10. The Panel hereby repeats and incorporates by reference its analysis of City No. 9.

**XVI. CITY ISSUE NO. 11 – CITY MULTIPLIER
(ECONOMIC)**

Under Article 49, Section 1(a) of the collective bargaining agreement, the multiplier used in calculating a retirement allowance is 2.6 percent of FAC, which is computed on the basis of the best three years of service for those employees hired after January 1, 1978. Those bargaining unit members hired prior to January 1, 1978, have the option of choosing a 2.5 percent multiplier with a two year FAC. The City proposes to reduce the pension multiplier from 2.6 percent to 2.4 percent for all years of service performed after July 1, 2003. The Union proposes to maintain the status quo.

The City attempts to justify its proposal on the basis of its financial condition. It asserts that adoption of the proposal will "significantly reduce" the City's pension costs and help the City in returning to financial health. Further, the City emphasizes that its AFSCME units utilize a 2.4 percent multiplier in connection with their pension benefits. (See City Exhibit "167.")

By contrast, the Union asserts that the status quo should be maintained, to wit, that the 2.6 percent multiplier should be retained in the successor agreement. In support of its position, the Union notes that in the recent Police Patrol Act 312 case, Arbitrator Glazer rejected a proposal by the Union therein to allow Patrol Officers to retire after 23 years of service. Arbitrator Glazer noted that the parties had just agreed on the present age and service requirements in the last contract and that the Union had not proven changed circumstances sufficient to warrant adoption of its proposal. Additionally,

Arbitrator Glazer awarded the Union's Last Best Offer on the issue of pre-1978 hires FAC. In doing so, he noted that internal comparability compelled adoption of a benefit that would equalize benefits across the Police and Fire ranks.

The Panel has carefully considered the parties' arguments and awards the Last Best Offer of the Union on City Issue No. 11. The City has not demonstrated that its financial condition warrants adoption of a change in the multiplier. This is particularly so where the Police and Fire units currently enjoy substantially the same plan benefits. Consideration of Section 9(d), in the context of internal comparability, is a compelling factor in connection with this issue.

**XVII. CITY ISSUE NO. 12 – EMPLOYEE CONTRIBUTIONS
(ECONOMIC)**

In its Last Best Offer, the City proposes to raise the employee pension contribution rate from 5.5 percent of all earnings to 7.4102 percent of all earnings, effective July 1, 2003. The Union proposes to maintain the current 5.5 percent contribution rate.

The City seeks an increase in the amount of the employee pension contribution in the amount of 1.9102 percent to offset the 1.9102 percent COLA fold-in received by the bargaining unit members as a result of the COLA provision contained in the expired collective bargaining agreement. The City desire to recoup wages which Fire Fighters received, which other City employees did not receive because their contracts did not contained a similar COLA provision. Additionally, the City argues that the higher pension contribution will offset unfunded liabilities and higher pension costs faced by the City in connection with ever-increasing retiree health insurance costs. Even with the pension contribution increase proposed by the City, the Fire Fighter's contribution rate

would still be below the rate of two of the external comparables. (See City Exhibit "160.") Further, given the City's current financial condition, coupled with the generous retirement benefits currently enjoyed by bargaining unit members, the City's proposal is warranted by Section 9 of Act 312.

The Union argues that the status quo should be maintained and that there should be no change in the employee pension contribution for this unit. The Union asserts that the City has not offered any evidence of the amount of money it would save if the employee contribution rate were increased. Since the City's proposal would give only questionable prospective relief, the Union urges the Panel to reject the City's proposal.

For reasons which are largely the same as those articulated in the previous sections dealing with Retirement, the Panel rejects the City's proposal. The City's proposal seems designed, not so much to get control of future expenditures, but to get a "pay back" from the Fire Fighters of the COLA fold-in they received post 2000. The Panel does not believe that such a pay back is warranted since the money was received by the Fire Fighters pursuant to a longstanding provision of their collective bargaining agreement. Since the Panel has already eliminated the COLA provision, future COLA increases which might result in unique increases for this unit have been eliminated. Significantly, although the current wage rate of the Fire Fighters is slightly higher than that of Police Officers, the wage rates between the two departments have fluctuated over the years. (Union Exhibit "19," Vol. III – 506, and Union Exhibit "3.")

From an external comparability standpoint, the wages of a Flint Fire Fighter, when compared with the external comparables, do not warrant the adoption of the City's

issue. The wages of the Flint Fire Fighters will be below the average of the City's comparables. (Union Exhibits "14" and "15.") Further, since the Police Officers contract will expire June 30, 2002, it is certainly possible, if not probable, that an increase in their wages could be negotiated before the end of the Fire Fighters contract. That would once again equalize the wages amongst the units.

Lastly, the history of the employee contribution to pension in the Fire Fighters unit demonstrates a gradual reduction of the contribution from 6.5 percent to 5.5 percent as late as July 1, 1995. No other bargaining unit or City employee has been asked to increase their contribution rate by nearly 2 percent.

Lastly, the Union asserts that if the City's intention is to recoup the COLA fold-in, it should merely have made a proposal to do so. To seek to recoup it through an increase in the pension contribution above that paid by any other City employees is not justifiable.

The Panel concurs with the Union's arguments in light of the Section 9 factors and awards the Union's proposal.

XVIII. CITY ISSUE NO. 13 – RETIREMENT FAC (ECONOMIC)

Currently, an employee's final average compensation is calculated based on an period of three years of credited service contained within the five years of credited service immediately preceding the date of employment termination. The City proposes to modify the contract language to clarify that the final average compensation over the three year averaging period should be calculated on the basis of 26, not 27, pays annually. This will avoid the attempt on the part of some bargaining unit members to seek to retire during

a three year averaging period which includes one calendar year composed of 27, as compared to 26, pays and, thereby, inflate their FAC. The Union proposes no change in the current contract language.

The City's proposal seeks to put an end to the possibility of a bargaining unit member enhancing his/her final average compensation by including a 27 pay year within the three year averaging period. The City's proposal arises out of recent controversy between the City and the Union over inclusion of a 27th paycheck in a final average compensation period. In March of 2000, the City discontinued calculating final average compensation to include a 27th pay and amended its retirement ordinance to specifically reference that FAC would be calculated over the course of a 26 pay period. The City's action caused the Union to file an unfair labor practice charge, alleging an unlawful mid-term contract modification and a violation of the duty to bargain under Section 10(1)(a) and (e) of PERA. The charge was ultimately dismissed by MERC and is now on appeal before the Michigan Court of Appeals. Additionally, the same issue was presented to Arbitrator Glazer in the Police Patrol Arbitration and that arbitration panel ultimately adopted the City's proposal in connection with the settlement of the Police contract. The City argues that adoption of its proposal would minimize the assault on the financial integrity of the City's retirement system. The City maintains, as it has with regard to the retirement issues previously discussed, that the Fire Fighters already enjoy a very generous retirement benefit.

While the Union acknowledges the City's arguments, it suggests that this Arbitration Panel should await a definitive ruling from the Michigan Court of Appeals before

evaluating the City's proposal. The Union maintains that the past practice between the parties, as well as the express contract language, supports the Union's position. However, the Union is willing to concede this issue to the City with the understanding that, in so doing, it is establishing a framework of greater comparability between the Fire Fighters unit and the Police Officers unit. In other words, to the extent that the Glazer arbitration panel awarded or rejected various of the City's proposals, this Panel should do the same in the instant arbitration to the extent those proposals mirror those offered in the Police arbitration.

The Arbitration Panel has carefully considered the arguments of the parties and awards the proposal of the City on this issue. It appears that as many as 300 retirees have taken advantage of the 27th pay in the calculation of their final salary average. (Vol. III – 646.) By contrast, almost 700 employees have retired without the inclusion of a 27th pay in any of their best three years. Obviously, the 27th pay is more of an anomaly than a guarantee. To that extent, it is not a benefit recognized by contract unless expressly so stated.

Recently, this issue was considered by the arbitration panel in the Police Officers arbitration (City Exhibits "35-37"; Vol. III – 619-620.) The arbitration panel, in that case, ruled in favor of the City on this issue. Accordingly, from an internal comparability standpoint, the City's position is favored. It is also noteworthy that MERC rejected the Union's unfair labor practice charge regarding this issue. (City Exhibit "176".) Although this matter is still pending before the Michigan Court of Appeals, this Panel believes that equity and common sense favor the position of the City on this issue and that this award should

not be held in abeyance pending resolution of that litigation. Therefore, the Arbitration Panel awards the Last Best Offer of the City on this issue.

**XIX. CITY ISSUE NO. 14 – RETIREMENT FAC COMPONENTS
(ECONOMIC)**

The City has withdrawn this issue and, accordingly, the Panel will not discuss or consider it.

**XX. CITY ISSUE NO. 15 – USE OF VACATION TIME
(ECONOMIC)**

Currently, no more than seven Fire Fighters, two officers, and one 40-hour employee are allowed off on any one day for vacation. (Vol. III – 654.) In its Last Best Offer, the City proposes to reduce the number of Fire Fighters who may be allowed off on vacation at one time from seven to five. The Union proposes to maintain the status quo.

The City proposes reducing the number of Fire Fighters who can be off on vacation on any one day in an attempt to gain "more flexibility and reduce the need for overtime." (Vol. III – 656.) The City theorizes that limiting the number of people who could be on vacation at any given time would make more Fire Fighters available to cover for shortfalls in personnel and would reduce the need for overtime. The City further supports its position on this issue on the basis of external comparability. At present, only the City of Lansing allows more Fire Fighters to be off on vacation at any one time than does the City of Flint. (City Exhibit "178.") On average, the external comparables only allow 4.6 officers off at any given time. (*Id.*)

The Union opposes the City's proposal and maintains that the City has not justified reduction of utilization of vacation time from seven Fire Fighters to five Fire

Fighters on any given day. The Union notes that when questioned about the cost savings, the City witness on this issue could not provide a figure, or even an estimate, of how much overtime the proposal would save the City.

The current system for vacation scheduling, according to the Union, is adequate and provides the City with the flexibility it needs in scheduling personnel. At the end of March of each year, the Fire Department staff selects vacations for the upcoming year. If vacation is scheduled during this time period, up to seven Fire Fighters can be scheduled off on the same day. However, if a vacation is not prescheduled and an individual wishes to preschedule the day at some later time during the year, he/she would only be allowed to do so if it would result in six Fire Fighters, not seven, being scheduled off on vacation. (Vol. III – 658-659.) The Union asserts that this provides flexibility in minimizing overtime.

The Arbitration Panel has carefully considered the arguments of the parties regarding this issue. Absent concrete, or even theoretical, information as to how this proposal will save the City money, the Panel is hard-pressed to accept the City's argument that this proposal is warranted under Section 9(c) of the Act. This Arbitration Panel will not simply assume that a cost savings will be realized. Given the historical inclusion of this provision in the contract, the Arbitration Panel is not persuaded that external comparability compels the modification of this provision. Even if the "average" amongst the comparables is to allow only 4.6 Fire Fighters off on vacation on any given day, it is noteworthy that the City of Lansing allows as many as 12 Fire Fighters off on vacation on a daily basis and that

staffing likely depends on the size of the department and the unique needs of the community. (City Exhibit "178".)

Additionally, the fact that Fire Fighters routinely select the dates of their annual vacation in March of each year, provides the City with foreknowledge of popular vacation periods and gives it time to address scheduling issues.

Finally, the record is devoid of evidence that the necessity for reduction of the use of vacation time is the result of the reduction in the number of members of the Fire Department itself. Logically, the need for a reduction in vacation usage might be necessitated due to the fact that the Fire Department has substantially decreased in size. However, no evidence was presented which would have aided the Arbitration Panel in reaching that conclusion.

Accordingly, in light of the Section 9 factors and for the reasons stated, *supra*, the Panel awards the Last Best Offer of the Union on this issue.

**XXI. CITY ISSUE NO. 16 – ANNUAL LEAVE ACCRUAL
(ECONOMIC)**

In its Last Best Offer, the City withdrew this issue. Accordingly, it will not be considered by the Panel.

**XXII. CITY ISSUE NO. 17 – NIGHT BONUS
(ECONOMIC)**

Under Article 17 of the collective bargaining agreement, employees who work a 40 hour week and who work a shift which falls between 4 p.m. of one day and 8 a.m. of the following day receive an additional 7.0 percent per hour over the amount set forth in the compensation schedule. Similarly, employees who work a 50.4 hour work week

receive an additional 7.0 percent per hour for hours worked between 4 p.m. of one day and 8 a.m. of the following day during the shift. In its Last Best Offer, the City proposes to reduce the current "night bonus" from 7 percent to 5 percent effective July 1, 2003. In its Last Best Offer, the Union proposes to maintain the status quo.

The City argues that its proposal regarding night bonus is intended to "cut costs." (Vol. III – 671.) Reduction of the night bonus would provide an immediate and necessary labor cost savings. None of the external comparables provide any form of "night bonus." (City Exhibit "184.") Even with a 2 percent reduction, the Fire Fighters night bonus compares favorably with the shift differential provided to the City's Police Officers. Their shift differential is stated in flat dollar terms and is capped. (City Exhibit "35", pp. 7-18.)

Significantly, the Fire Fighters night bonus is stated as a percentage of wages. That means that the actual dollar value of the night bonus will continue to rise as wages do. Thus, reduction of the night bonus will not result in a permanent bonus reduction. By contrast, the shift premium offered to Police Officers is in a fixed dollar amount with no automatic escalator.

The Union opposes the City's proposal. The bonus has been provided by the City to members of the Fire Department for more than 30 years. Even though external comparability does not support continuation of the night bonus as presently provided, that alone is not a basis for eliminating or reducing a unique benefit. The Union also argues that a comparison of the Fire Fighters night bonus to the shift differential paid to members of the Police Department is not entirely helpful. Although the Police Patrol Unit recently received a shift differential cap at the rate of \$1.50 per hour through the Act 312 Arbitration

award, the arbitration panel grandfathered bargaining unit members whose shift differential already exceeded that figure. In the instant case, the City has offered no similar grandfathering provision. All Fire Fighters who receive a night bonus would receive a 2 percent reduction to their bonus.

The Arbitration Panel has carefully considered the issue of night bonus and determines to award the Last Best Offer of the City on this issue. Factors 9(c), (d), and (f), all favor the City's position. It is significant, that none of the external comparables provides any form of night bonus. Further, from the standpoint of internal comparability, the City's Police Officers just received a \$1.50 cap on their shift differential. While the Arbitration Panel is sensitive to the fact that the City's offer in the instant case does not include a grandfather provision, nor does it include a fixed rate. In other words, the Fire Fighters will continue to enjoy increases in their night bonus, since it is provided in the form of a percentage of compensation. The City's proposal will reap some immediate savings and, thus, address the present nature of its financial emergency. At the same time, the Fire Fighters will eventually recoup their night bonus as they receive future wage increases.

For the foregoing reasons, the Panel adopts the Last Best Offer of the City on the issue of night bonus.

XXIII. CITY ISSUE NO. 18 – PROVISIONAL APPOINTMENTS AND SUPPLEMENTAL AGREEMENT

(ECONOMIC)

Article 35 of the collective bargaining agreement addresses the issue of provisional appointments from an established eligibility list. In a supplemental agreement entered into by the City and the Union in 1993, the City is required to provisionally fill any

classification for which the eligibility list has been halted by court action or by action of legal authority retroactively to seven days after the vacancy occurred.

In its Last Best Offer, the City proposes to modify Article 35 to make the filling of such vacancy within its discretion and to eliminate the requirement that the position be filled retroactively to seven calendar days after the vacancy occurred. The City argues that the current agreement restricts the City's flexibility to determine whether positions should be filled or may be left vacant on an indefinite basis. Since the City faces a financial penalty, it is inclined to immediately fill the position rather than to evaluate it only to later pay the recipient what the City considers to be a "windfall" in retroactive pay. The retroactive payment is yet another financial burden which the City can ill afford.

City witness, Jill Ghattas, testified that, on the average, the City has had to make retroactive payments in the case of vacancy appointments at least ten times a year in recent years. (Vol. II – 273.) The City has been filling positions immediately in order to avoid paying thousands of dollars in retroactive compensation when the positions are eventually filled. (*Id.*)

The Union, in its Last Best Offer, proposes to maintain the status quo. It argues that the provision has limited application and that the City winds up paying more in overtime pay when it does not fill a position for an extended period of time. (Vol. III – 681-683.) Ms. Ghattas admitted that, since 2001, the City has filled vacancies promptly in order to avoid the retroactive payment. (Vol. II – 273.)

Having considered the arguments of the parties in light of the Section 9 criteria, the Arbitration Panel determines to award the position of the City on this issue.

Section 9(c) requires that the Panel consider the interests and welfare of the public and the financial ability of the unit of government to meet those costs. In the instant case, a retroactive payment to the recipient of a vacancy is an expenditure which the City can ill afford and which does not appear to benefit the interests and welfare of the public in any obvious way. Although one could argue that the City expends money in other ways, such as through the payment of overtime, it would certainly be prudent to allow the City time and flexibility in determining whether to fill vacancies, balancing service versus cost.

Further, this is not a situation where an employee is working out of classification and may be entitled to compensation at a different classification level for a period of time. Rather, this is simply the award of monies made after-the-fact where the services in question have not been provided by the recipient of the vacancy. Under the present circumstances, this type of expenditure must be curtailed so that the City can utilize its revenue for direct services and necessary operations.

In light of the foregoing, and in consideration of the Section 9 factors, the Panel awards the Last Best Offer of the City on this issue.

XXIV. SUPPLEMENT AGREEMENT – DAY TRADING (ECONOMIC)

The City withdrew this issue on the final day of the hearing. Accordingly, it will not be considered by the Panel.

AWARD

JOINT ISSUE NO. 1 – DURATION.

The parties have stipulated to a four year contract term, commencing July 1, 2000 through June 30, 2004. Therefore, the Arbitration Panel adopts the parties' stipulation.

Dated: June 27, 2003

Karen Bush Schneider
Karen Bush Schneider, Panel Chairperson

Dated: July 2, 2003

George W. Kruszewski
George W. Kruszewski, Union Delegate

Dated: July 14, 2003

Dennis D. DuBay
Dennis D. DuBay, City Delegate

UNION ISSUE NO. 1 AND CITY ISSUE NO. 1 – WAGES.

Article 12, Section 1 of the collective bargaining agreement shall be modified as follows:

"The salaries and wages to be paid under this Agreement shall reflect the following annual adjustments:

Effective July 1, <u>2000</u>	<u>0.0%</u> increase on all steps for all ranks
Effective July 1, <u>2001</u>	<u>0.0%</u> increase on all steps for all ranks
Effective July 1, <u>2002</u>	<u>0.0%</u> increase on all steps for all ranks
Effective July 1, <u>2003</u>	<u>0.0%</u> increase on all steps for all ranks

The annual rates set forth in said schedule shall be converted to hourly rates in the following manner: Levels F - 1 through F- 5, inclusive, divide the annual rate by 2,620.8 hours; Levels F- 4 (40 hour Captains) FF-19 through FF-35, inclusive divide the annual rate

by 2,080 hours. Employees shall be paid on a bi-weekly basis not to exceed the rates set forth in said schedules."

Accepted:

Haren Bush Schmidt

Ray H. Kuzewski

Dennis B. Dubay

Rejected:

UNION ISSUE NO. 2 AND CITY ISSUE NO. 2 – COLA.

Eliminate Article 13 – Cost of Living – from the collective bargaining agreement, effective July 1, 2002. Renumber the remaining articles accordingly.

Accepted:

Haren Bush Schmidt

Dennis B. Dubay

Rejected:

Ray H. Kuzewski

UNION ISSUE NO. 3 – RETIREMENT– PURCHASE OF TIME.

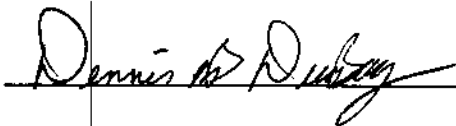
Maintain Article 48 Prior Military Service Credit Retirement Purposes.

Accepted:

Haren Bush Schmidt

Rejected:

Ray H. Kuzewski



CITY ISSUE NO. 4 – HOSPITALIZATION INSURANCE – EMPLOYEE CONTRIBUTION.

Effective the date of the award, revise Article 46 Hospitalization Insurance by adding at the end of the Article the following new subsections:

Effective the beginning of the month, 30 days following the date of the Award in MERC Case No. L00 C-8016, change all of Article 46 Hospitalization references from \$50.00 to \$75.00.

The City's obligation to pay for employee health insurance shall be to pay the lower of (a) the Traditional Plan or (b) the Health Plus HMO, minus \$75. Employees selecting a health care plan which is more expensive than the lower of (a) or (b) above, minus the \$75.00, will pay the additional cost. A payroll deduction is hereby authorized by employees taking any such plan.

The Arbitration Panel has been assured that not only will bargaining unit members be able to select health insurance coverage during normal enrollment periods, but that an open enrollment period will be offered in the event that rate changes occur which would negatively impact bargaining unit members who had made a health insurance plan selection based upon prevailing rate information which subsequently changes during a period other than the normal enrollment period. It is with that understanding in mind that the Panel adopts the City's offer and directs the parties to add language to the City's proposal which would clarify that understanding. Absent the ability of the parties to agree to such language, the Panel reserves jurisdiction to re-evaluate its Award on this issue.

Accepted:

Haren Rouch Schmidt

Dennis B. Dubay

Rejected:

Greg H. Kuylenstierna

CITY ISSUE NO. 5 – HOSPITALIZATION INSURANCE – DRUG CO-PAY.

Modify Article 46, Hospitalization Health Insurance, by adding at the end of the Article the following new subsection (c): "Effective the beginning of the month 30 days following the date of the 2000-2004 Act 312 Award, or as soon thereafter as is possible, the prescription drug co-pay on all health plans shall be changed to a \$10 generic, \$20 brand prescription drug."

Accepted:

Haren Rouch Schmidt

Greg H. Kuylenstierna

Dennis B. Dubay

Rejected:

**CITY ISSUE NO. 6 – HOSPITALIZATION INSURANCE – EMPLOYEE CONTRIBUTION
FOR RETIREE HOSPITALIZATION INSURANCE.**

Maintain the status quo as reflected in Article 46 of the 1997-2000 contract.

Accepted:

Harmon Bouch Schmeider

Rep. H. Kuzewski

Rejected:

Dennis B. Dubay

**CITY ISSUE NO. 7 – RETIREE HOSPITALIZATION INSURANCE – ELIGIBLE
RECIPIENTS.**

Maintain the status quo as reflected in Article 46 of the 1997-2000 contract.

Accepted:

Harmon Bouch Schmeider

Rep. H. Kuzewski

Rejected:

Dennis B. Dubay

CITY ISSUE NO. 8 – RETIREE HOSPITALIZATION INSURANCE – COVERAGE.

Maintain the status quo as reflected in Article 46 of the 1997-2000 contract.

Accepted:

Harmon Bouch Schmeider

Rejected:

Dennis B. Dubay

Greg H. Kuszynski

CITY ISSUE NO. 9 – AGE AND SERVICE REQUIREMENTS.

Maintain the status quo as reflected in Article 49 and Appendix B of the 1997-2000 contract.

Accepted:

Harvey Pouch Schmidt

Greg H. Kuszynski

Rejected:

Dennis R. Dubay

CITY ISSUE NO. 10 – RETIREMENT – ELIMINATION OF 13TH CHECK.

Maintain the status quo as reflected in Article 49 and Appendix B of the 1997-2000 contract.

Accepted:

Harvey Pouch Schmidt

Greg H. Kuszynski

Rejected:

Dennis R. Dubay

CITY ISSUE NO. 11 – RETIREMENT MULTIPLIER.

Maintain the status quo as reflected in Article 49 , Section 1 and Appendix

B of the 1997-2000 contract.

Accepted:

Rejected:

Haren Bouch Schmidt
By H. Kuzgush

Dennis B. Dubay

CITY ISSUE NO. 12 – EMPLOYEE CONTRIBUTION.

Maintain the status quo as reflected in Article 49, Section 1(b) and Appendix

B of the 1997-2000 contract.

Accepted:

Rejected:

Haren Bouch Schmidt
By H. Kuzgush

Dennis B. Dubay

CITY ISSUE NO. 13 – RETIREMENT – FAC PERIOD – ARTICLE 49. RETIREMENT AND APPENDIX B.

Effective July 1, 2000, Article 49 – Retirement, Section 1 shall be revised by adding the following new subsection:

Final average compensation will be computed on the basis of the average of the highest annual base salary for 26 consecutive pays paid the employee during any period of three (3) consequence calendar years of credited service contained within the employee's five (5) years of credited service

immediately preceding the date of the employee's employment with the City last terminates.

Appendix B shall be amended to reflect the contract change.

Accepted:

Rejected:

Harmon Bush Schmidt

Greg H. Kurosewski

Dennis B. Dubay

CITY ISSUE NO. 15 – USE OF VACATION TIME.

Maintain the status quo as reflected in Article 24, Annual Leave, Section 2 of the 1997-2000 contract.

Accepted:

Rejected:

Harmon Bush Schmidt

Dennis B. Dubay

Greg H. Kurosewski

CITY ISSUE NO. 17 – NIGHT BONUS – ARTICLE 17. NIGHT BONUS.

Revise Article 17, Night Bonus, to provide as follows:

Employees working a 40-hour work week, who work a regularly scheduled shift the majority of hours of which fall between 4:00 p.m. of one day and 8:00 a.m. of the following day, shall be entitled to an additional payment of 7.0% (effective July 1, 2003 - 5.0%) per hour over that set forth in the Compensation

Plan. Employees working a 50.4 hour work week, shall be entitled to an additional payment of 7.0% (effective July 1, 2003 - 5.0%) per hour over that set forth in the Compensation Plan for time worked between 4:00 p.m. of the day and 8:00 a.m. of the following day during said shift.

Night bonus will be used in the base for computation of holiday and overtime rates.

Accepted:

Rejected:

Ham Bush Schmidt

By H. Kuylenst

Dennis B. O'Boyle

CITY ISSUE NO. 18 - PROVISIONAL APPOINTMENTS AND SUPPLEMENTAL AGREEMENT - ARTICLE 35, PROVISIONAL APPOINTMENTS, SECTION 1, PROVISIONAL APPOINTMENTS - EXISTING ELIGIBILITY LIST.

Effective the date of the Award, revise Article 35 -- Provisional Appointments,

Section 1, Provisional Appointments -- Existing Eligibility List to provide as follows:

When a vacancy occurs and an eligible list exists for the classification in which the vacancy occurs, but appointment from said eligible list has been halted by court action or action by another legal authoritative body, then said vacancy may be filled by provisional appointment of that person standing highest on the eligible list under challenge and shall continue until appointment may legally be made from said eligible list, or until such time as a revised or new eligible list is established, if such is required by the court or other legal authoritative body.

Delete the Supplemental Agreement with respect to Provisional Appointments.

Accepted:

Harmon Bush Schmeider

Dennis B. Dubay

Rejected:

George H. Kuenzelski

All tentative agreements of the parties and all other terms of the 1997-2000 collective bargaining agreement not addressed in this Award shall be carried forward in the 2000-2004 agreement.

Accepted:

Harmon Bush Schmeider

George H. Kuenzelski

Dennis B. Dubay

Rejected:

LETTER OF AGREEMENT

It is hereby agreed, without precedent, by and between the City of Flint and below named collective bargaining representative that:

The parties desire to implement a window to allow for the early retirement of currently active employees who apply for and retire between the period of October 1, 2000 and January 15, 2001, the following conditions shall apply:

1. This agreement shall extend only to those employees actively employed by the City of Flint on August 1, 2000. This agreement shall not extend to any individual who may have retired prior to August 1, 2000.
2. Any employee represented for the purposes of collective bargaining by the below named labor organization may, during (and only during) the period between October 1, 2000 and January 15, 2001, purchase, for the sole purpose of immediate retirement (no later than January 15, 2001) (i.e., retirement service credit to attain the minimum service required to retire) and/or retirement benefit computation (i.e., years and months of service used to compute final average compensation) only, the following: prior governmental service time with a governmental entity other than the City of Flint, layoff time from the City of Flint, sick leave without pay (including maternity leave) from the City of Flint, leaves of absence without pay from the City of Flint, and/or interim or temporary time with the City of Flint. In addition, during the same time period, any employee represented for the purposes of collective bargaining by the below named labor organization may make a redeposit of any previously withdrawn employee contribution to the City of Flint Employee Retirement System for retirement purposes only. Such purchase or redeposit shall be computed on the basis of the amount the Employee withdrew (in the case of redeposit) or the amount the Employee would have contributed (in the case of governmental service, layoff time, etc.) plus 6.0% interest compounded annually from the relevant date the contribution would have been originally made or the date of withdrawal. No employee may purchase or redeposit any time for which the employee is receiving a pension or which has been used in establishing entitlement to a pension from any other source nor shall credit be granted prior to the submission of appropriate documentation from the proper governmental authorities indicating the character of the employment.

3. Any employee represented for the purposes of collective bargaining by the below named labor organization may, during (and only during) the period between October 1, 2000 and January 15, 2001, purchase, for the sole purpose of immediate retirement (no later than January 15, 2001) (i.e., retirement service credit to attain the minimum service required to retire) and/or retirement benefit computation (i.e., years and months of service used to compute final average compensation) only, prior military service credit under the formula in effect for the purchase of military service as of July 1, 1986. The maximum amount of time for purchase under this paragraph shall be 36 months of service. No employee may purchase prior military service credit for which the employee is receiving a pension or which has been used in establishing entitlement to a pension from any other source nor shall credit be granted prior to the submission of appropriate documentation from the proper military authorities indicating the character of the service.
4. Any employee represented for the purposes of collective bargaining by the below named labor organization may purchase generic time for immediate retirement (no later than January 15, 2001) by making a contribution equal to the actuarial present value as of the date of the purchase.
5. No purchase of time set out in paragraphs (2), (3) or (4) above shall total a period greater than 60 months of retirement service credit; it being specifically understood that redeposits of withdrawn employee contributions shall not be affected by this 60 month maximum. Employees may accomplish the purchase or redeposit of time in whole or in part by "selling" back to the City accumulated annual and/or sick leave; it being understood that employees retiring on or before January 15* may sell back accumulated annual and/or sick leave out of their final check.
6. Any time purchased pursuant to paragraphs (2) and/or (4) above shall not be used for the purpose of computing years of employment and/or retirement used in connection with retiree health care contribution requirements.
7. Anyone retiring under the provisions of this agreement must sign an acknowledgment that they have been notified of their rights under the Older Workers Benefit Protection Act and must retire no later than January 15, 2000.
8. Any employee in a position eliminated by reason of layoff or reduced by reason of bumping rights prior to September 15, 2000, and who elects to retire on or before October 15, 2000, will have their final average compensation calculated on their current pay rate or on the basis of the

pay rate in effect immediately prior to their layoff and/or bump, whichever rate is higher.

9. The signatory labor unions agree that they shall have the principal responsibility for notifying and informing their members of the provisions of this agreement.
10. Nothing contained in this agreement shall reduce or eliminate any benefit contained within the parties' collective bargaining agreement.

City of Flint

Fire Local 352

DATED: _____
